

NOVEMBER, 1956

Manage

MAGAZINE OF MANAGEMENT MEN OF AMERICA

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● **NMA 33rd National Conference**

THIRTY CENTS

The Aims of Men

...

I respect the man who knows distinctly what he wishes. The greater part of all the mischief in the world arises from the fact that men do not sufficiently understand their own aims. They have undertaken to build a tower and spend no more labor on the foundation than would be necessary to erect a hut.

—Goethe

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NOVEMBER, 1956

VOL. 9, NO. 2

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Managing Editor

William Keifer

Feature Editor

James Berns

Editorial Staff

Art Director:

Nelson Hahne

Educational Editor:

William Levy

Assistant:

Norman George

Business & Circulation

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L. E. Nangle

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THE great American capacity to produce is something much greater than the sum of its materials, machines and labor force; many have tried to explain it simply—"competitive spirit," "high wages," "imagination" are some of the phrases used to attempt to give a pat answer not only for our present huge industrial capacity, but also for our awesome potential to create.

The explanation is not an easy one—it is an abstraction. In the article, "Why Is American Industry Strong?" William A. Hadley, director of research and engineering for the Mergenthaler Linotype Co., N.Y., uses automobile production factors as a guide to our strength.

Mr. Hadley recently spent a year in Europe visiting factories and questioning European engineers and factory managers. See page 8.

ABOUT THE COVER: Beginning with this issue, we are using a slick, white stock, and with the new stock we have redesigned the cover, giving it—we hope—a much more professional appearance. More improvements in the magazine will follow, with several being scheduled for the December issue.

"THE NMA CONVENTION—AT A GLANCE," summarizes last month's meeting in St. Louis, and provides a handy middle-of-the-magazine guide to THE NATIONAL MANAGEMENT ASSOCIATION'S new officers, and to the club awards for 1956. Page 34.

"Washington Reports," page 50, tells how the Taft-Hartley law is being pinched between the planks of the Democratic and Republican platforms.

With this issue, MANAGE has a new managing editor. Harrison Beardsley has earned himself a better job with Kaiser Aluminum and Chemical Company, Oakland, Calif. He is succeeded by William W. Keifer, until recently on the editorial staff of THE DAYTON DAILY NEWS, and former associate editor of New American Library of World Literature, Inc., and FACTS Newsmagazine. MANAGE owes Harrison Beardsley an everlasting debt of gratitude for his fine work. Bill Keifer will do a great job also.

The Editor





"Chip called and says he won't be in—he's feeling good today."



EDITORIAL

Memo

....FROM THE EDITOR

IN THIS era of electronics and nuclear energy, the man of the hour is the engineer. His technically-skilled prober into the scientific unknown has brought this country to the threshold of almost unbelievable achievements. It won't be long until you can press a button on your car's dashboard and close the windows at home. And you will see in your telephone the image of the person with whom you are talking.

Because of the technical pioneering, we know what is possible. But to achieve those things, the engineers who led the way to discovery must now provide the leadership to put the discoveries to practical use.

In brief, the leadership of tomorrow's industry is the challenge to today's engineer, scientist or skilled technician.

While the academic training of today's engineer is not as narrow as a decade ago, it still requires a lot of liberalization to fit its students for the leadership roles being thrust upon them. And the colleges simply cannot do the job by themselves. The training of the scientist necessarily is a concentrated study in a narrow and specialized field.

So it becomes industry's responsibility to provide leadership training for the engineer as he is given the opportunity to become a company leader as well as a pioneer in technical research.

And it is also the responsibility of the engineer himself to accept this greater opportunity for leadership. Today's engineer must see that his professional responsibilities go beyond his personal achievements in his chosen field of technology.

The management group of every company with staffs of engineers has a responsibility to extend to these technically-trained people the opportuni-

ties for management development. And the increase of an engineer's managerial skills does not need to come about through a decrease of his technical abilities.

When an engineer increases his managerial abilities, he begins to make himself available for greater management responsibilities in an executive capacity. He also contributes to the enrichment of his personal life through broader social contact with his teammates in management. He makes his engineering relationship with the other divisions of his company more effective by learning to work co-operatively with those leaders.

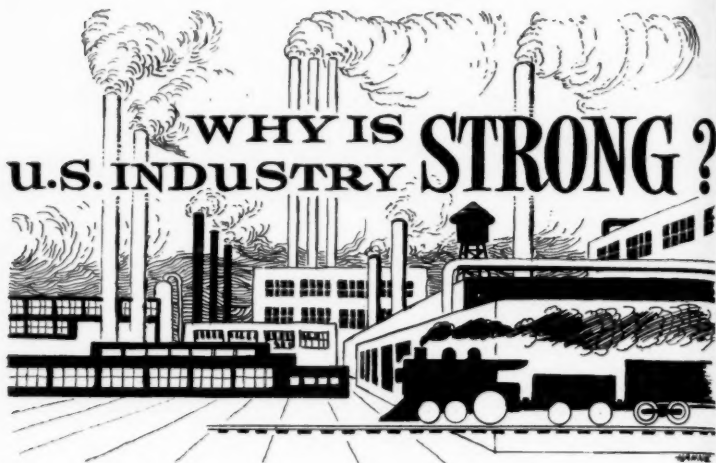
A whole new world is opened up to the engineer when he learns through management development that he can enjoy the same satisfaction of accomplishment through the direction of the hands and minds of others as through his own microscope or slide rule, intellect, or skill.

Many of today's professional engineers feel the same lonely frustration that the industrial foreman felt 30 years ago. At that time, management interpreted the foreman's managerial opportunities to him in terms of his supervisory responsibilities. Today the same consideration must be shown the engineer.

Management education groups need to moderately readjust their programming to give more consideration to professional engineers in management. This need not be on a formal training basis since every engineer has his own technical societies. What the professional engineer wants in a management group is primarily an opportunity for association with his management associates and ways to see more clearly his own position in relation to theirs. He wants to be shown that he is just as much a bona fide member of management as is the vice-president, the foreman or the departmental supervisor.

The orientation of the engineer in management will have a lot to do with the advancement of industry and the welfare of our country.

Dean Sims



by William A. Hadley

Director, Research and Engineering Division,
Mergenthaler Linotype Co., Brooklyn, N. Y.

IF AMERICA wins today's struggle against Russia and her satellites it will be because of the strength of the industries of the United States. For this reason it is important to learn why U. S. industry is the world's strongest and how it differs from that in other countries.

One method of getting this information is to find out in what way the products of U. S. industry are superior to those from foreign factories. If this is known, then it is possible to concentrate on how our

factories operate differently in order to make the products superior.

Like many other engineers, the author wanted to know the answer to these questions. He recently spent a year in Europe visiting factories and questioning European engineers and factory managers to try to find the answers. This is a summary of the conclusions he reached.

Automobiles are typically American and provide an example with which most people are familiar. For this reason the automobile makes a

This article was prepared from a talk by Mr. Hadley before the semi-annual meeting of the American Society of Mechanical Engineers, June 19, 1956, in Cleveland, O.

good illustration of both our industrial strengths and our shortcomings. Of course there are many kinds of automobiles—ranging from little three-wheeled vehicles not much different from a motor scooter, up to very special machines built to establish speed records on the salt flats of Utah. However, when most people say the word "automobile" they are thinking of only those vehicles built for general highway use, and we will use that definition here.

There is no question that the U. S. builds good automobiles which have a large sales appeal. Even in those countries where dollars are short there is a surprisingly large number of American cars. On the other hand, if we study the desirable qualities of automobiles we uncover an apparent paradox. The following is a tabulation of some of these qualities that are measurable, in the form of questions as to which country is excelling in each category.

1—*Who makes the finest automobile in the world?*

2—*Who makes the cheapest automobile in the world?*

3—*Who makes the fastest automobile in the world?*

4—*Who makes the most stylish automobiles in the world?*

5—*Who makes the biggest automobile in the world?*

6—*Who makes the most expensive automobile in the world?*

7—*Who makes the most economical automobile in the world?*

It is very easy to answer the first question because the "Rolls Royce" has been advertising for years that it is "The World's Finest Motor Car" and since no one, to my knowledge, has disputed this claim we must award this one to Great Britain.

As to the second question, up until recently the cheapest automobile was the French "Citroen 2 CV." But with the introduction of the new line of English Fords, the old Ford "Anglia," which has been renamed the "Popular," is slightly cheaper. Both sell for around \$800 at the factory, exclusive of taxes.

The question of the fastest is almost impossible to answer if the special automobiles are included, but since this is limited to highway-type cars, it would appear that the answer is either Great Britain or Italy, depending upon which issue of the paper you have just finished reading and perhaps whether you are biased toward "Austin-Healys" or "Ferraris."

As to the most stylish, there is no question in my mind that Italy is the only answer. The Museum of Modern Art in New York, in its examples of good design, favored the work of Italian designers, as did the unbiased automobile club in Holland, based on its latest show. Manufacturers in France and the U. S. have employed Italian designers or designs, while the converse is not true. I understand also that some of these so-called "cars of the future" that the manufacturers are displaying

are products of the Italian body shops.

The honors for the biggest fall either to England with the "Daimler," which is the heaviest, or to Russia for the "Zis," which is the longest.

The most expensive car in the world is made in Spain for around \$20,000 under the name of "Pegaso," while the German "Trippel" is probably the most economical with its reported 62 miles per gallon.

If we look back over these answers we find that the United States didn't qualify under any of these headings. This is surprising because the United States produces by far the largest number of automobiles (around 8 million of the world's 9½ million a year) and owns twice as many as the rest of the world put together. It would appear that there is some measure of automobile quality possessed by American cars that was not covered by this list. If America produces the cheapest automobile, then the reason for our tremendous consumption of automobiles, on the surface, would appear to be justified. Checking automobile prices, we see that not only France and Great Britain but also Germany produce cheaper automobiles than we do but not nearly as many. To dismiss it as merely the result of "mass-production methods" in the United States is an easy but erroneous answer. Germany's "Volkswagen" ranks right under the American Big Three to beat most American cars for the

number four spot in automobile production. The techniques and benefits of mass-production methods are well known in Europe, contrary to what most Americans believe.

The quickest way to illustrate the particular advantage that American automobiles have over others is to make a plot of the "factory prices" before taxes, against "weight," for all of the passenger cars in the world. When this is done on logarithmic paper, as in Fig. 1, it shows a series of straight lines with Britain at the top, followed by Germany, Italy, and then France. The United States occupies the bottom two lines. This means that for all sizes of automobiles where there is a choice between American cars and others, you get more automobile for your money in the American cars. In fact, the U. S. is selling automobiles comparable to the rest of the world's luxury vehicles but at a price only equaled by some of the European "midget" cars.

The fact that these midget cars possess some intrinsic advantages that big cars do not have, such as economy, ease in parking, and so on, is not in dispute here. The relevant point, however, is that these small-sized cars are overpriced when compared to American standards. As regards the quality cars of the world, there is likewise little argument with the contention that the Rolls Royce and Daimler, for example, are finer cars than mass-produced fine American cars such as the "Lincoln" and "Cadillac." This again is not the

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issue. The significant point is that the Rolls Royce sells for between three times as much, up to five times as much as these quality American cars and there is serious doubt that it is anywhere near that much better. (The Continental Mark II which compares in quality also approaches the Rolls price.)

Actually, comparing in terms of money is the least forceful way of describing this unique feature of U. S. industries. If we compare automobile prices in terms of wages paid to the labor which manufactures these same automobiles, the full impact is clearer. This sort of plot can be seen in Fig. 2 where it should be noted that an average British industrial worker must invest the equiva-

lent of about one and one-half years' pay to ten years' pay to purchase a British motor car, depending upon whether he chooses an "Austin" or a Rolls and obviously there is no choice available to him. The average American automobile worker can buy "Packards, Cadillacs, and Lincolns" for less than one year's pay down to as little as half a year's pay. It is almost unnecessary to add that American factory workers actually do purchase Cadillacs. The ability to buy automobiles by labor in other countries varies in general between these limits with the exception of Spain, where I should hate to try to estimate the number of years' labor that is represented by the price of a Peggaso.

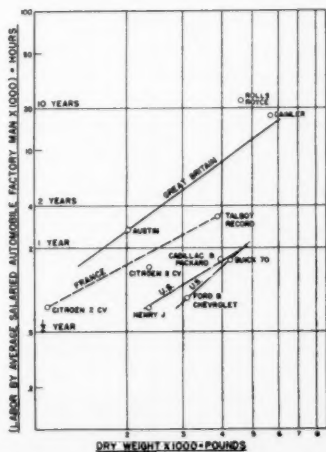
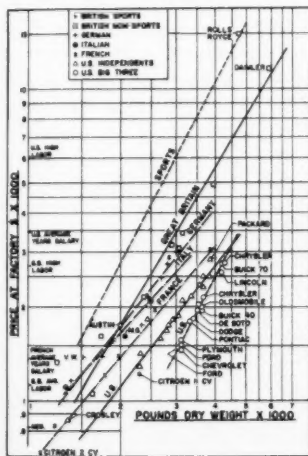


Fig. 1 Factory prices before taxes of passenger cars versus weight. Fig. 2 is a comparison of automobile prices and wages paid to automobile makers.

Therefore another way of accounting for the high volume of products that stream from American factories is the fact that all of the U. S. products are reasonably priced in terms of the hours of labor required to produce them. This is not merely a statement that U. S. labor has a high productivity. It is true that the low price (in labor hours) is accounted for by labor's own efforts, but other factors are also important.

It would appear that these low prices and also labor's motivation to attain high productivity are the result of certain American traits of character. Furthermore, it is these same traits of character that Europeans find so objectionable in the Americans they meet in Europe. The European is very envious of our effective low prices but contemptuous of these character traits without realizing their connection.

For example, a party of American tourists, whether visiting the Peace Palace in The Hague or viewing the dyke that converted the Zuyder Zee into a fresh-water lake, will invariably want to know the costs of many of the items involved. On the other hand, a party of Europeans rarely raises the question of costs. This constant preoccupation of Americans with the cost of things is one of the traits that annoys Europeans. However, what happens if we carefully examine piece by piece an American machine and a similar foreign product? Almost every machine part will

show that the American design engineer, in contrast with his European competitor, tends to restrain those design features that adversely affect cost if the quality gained is small. This is not due to variations between engineering teaching in America as compared to Europe (the subject matter is amazingly identical) but it is fundamental to the American designer—the American habit of measuring everything in terms of money. The result of this sort of design is a tremendous over-all saving in labor and in costs.

The ability of the American engineer to restrain himself from designing the finest mechanism if, in so doing, it will require too many hours of labor to manufacture it, is beneficial not only in costs but is also a source of strength in war. Many Army men in the Tank Corps admit that the German tanks were superior in fire power and armor to our own. However, two American tanks together had more fire power than one German tank and also could outmaneuver it. Our ability to produce tanks was an even greater ratio than two to one. If, on the other hand, we had designed tanks of superior ability but requiring more labor hours, we could not have produced as many.

Materialism provides part of the drive to keep up labor's productivity. Since we are always putting price tags on things we are more apt than Europeans to evaluate a man by the size of his pay check. If a man's

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worth is measured by his take-home pay, which evidences itself to his fellows by the things he owns, he is motivated to work harder and be more productive. Since his income is measured by the things he owns, the purchase of these things, such as automobiles and TV sets, increases production even more by providing mass markets. These must exist to achieve labor savings by mass production methods.

Another factor that spurs American labor to high productivity is our odd combination of a strong competitive spirit coupled with teamwork ability. The competitive spirit is best illustrated by contrasting the English sentiment of "May the best team win" with the feeling of the American baseball fan that no matter what, he wants his team to win. This spirit of competition is coupled in the factory with teamwork. Tom tries to out-produce Sam when they are working side by side, but both are subconsciously working together in order that their department will show up better than the one on the next floor. European engineers and factory managers indicate that this does not exist in Europe.

Unfortunately, this same materialism results in many grotesque things such as the size, shape, and glitter of almost all American products. Since a man's worth is measured by the things he owns, in TV sets, for example, it is important to have a big-screen set even though the size

of the room would make a small screen preferable as far as picture clarity is concerned. Likewise, the excess chrome on automobiles is useless except as a designator of the price and year of the car, but with both the TV and the car the abnormality is ultimately linked to their bargain price. It would be nice if we could have one without the other but there is doubt as to whether that is possible.

The American high schools, which as educational institutions are perhaps inferior to their European equivalents, still contribute more to our industrial strength than would be obtained by employing the European system. Surprisingly enough, our high schools probably contribute more toward making our industry different from foreign industry than do our engineering schools.

Our engineering schools, although excellent, are tending to become more and more like their European counterparts, while our high schools are quite unique. Their uniqueness is due mostly to the fact that almost all of our citizens now go through high school as compared with roughly 10 per cent in Europe. The result of this is that, although the subject matter must be watered down in the United States so that the average student can grasp it, the leveling effect on all and the broadening effect on labor more than offset the loss in curriculum to the top 10 per cent.

The free exchange of ideas between labor, engineering, and man-

agement does not exist across the Atlantic where education is separated into social strata. Even the recently graduated engineering student is set quite apart from labor in Europe which definitely limits his usefulness and professional growth, although it does perhaps flatter his ego. *Furthermore, the American factory foreman is quite different from his counterpart in the rest of the world as he is the only foreman who is truly a part of management and is entrusted with executive responsibilities.* The American high school gives him the necessary background for his job. Abroad, where this sort of man is not available, production lags because authority cannot be delegated. Owing to the resulting concentration of authority, necessary decisions are either delayed or not made at all.

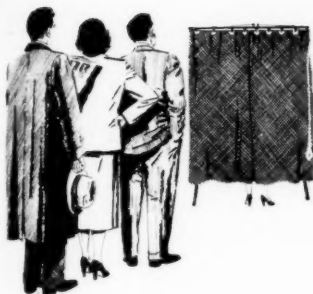
There is a saying in German that a person's strengths are the result of his weaknesses. It appears that this statement can be applied appropriately to American industry. Our industrial abilities which result in the uniquely American situation wherein the man who works in a factory is able to afford the products of his labor, are intrinsically tied up with our materialistic view of life. The concept that products should be made available to all is made possible because the same concept is applied to our educational institutions, which sometimes necessitates the dilution of their teachings.

This inventory of the roots of our

industrial strength is especially timely as it is more important now than ever to keep our industry strong. The United States is opposed today by an industrial nation led by men well acquainted with technology. Malenkov for one, is a mechanical engineer, and Russia, in an effort to surpass us industrially, is graduating more engineers than we are.

If materialism is a fundamental source of our industrial strength, then it is possible for the materialistic Russians to develop the same sort of virile industry as our own. They are apparently studying the needs of their industries and we might be wise to do likewise. However, in America, we mechanical engineers working with our foremen and labor have achieved a system whereby the products of our factories are actually available to all the people, in contrast to the situation in Russia where the factory products are theoretically available to all, but actually are unobtainable. This situation not only sets us apart from the Russians but is something of which we mechanical engineers in the United States can be truly proud. It is also a much finer thing than striving for perfection in any single category, if perfection can thereby be made available only to a favored few.

If we keep this goal in mind, our industry should be capable of meeting any wartime or peacetime challenge that it may be called upon to face.



The Businessman in an Election Year

by John S. Coleman

President, Burroughs Corp., and

President of the U. S. Chamber of Commerce

WHAT DOES this election mean to businessmen? What is our part in this and other events of the political life? Of course, as citizens, we will cast our votes in November. Is that, however, all we will do? Many of us undoubtedly will do a great deal more. As the pace of the campaign increases we will give of our time and money for the party of our choice. Throughout the country, campaign committees will be well sprinkled with business names. In fund drives business support will be eagerly sought. We can be sure, in short, that we are going to be in politics this year.

I say this with some alarm. I know that I have been teetering on the verge of the political abyss for the past two years and I am not looking for any further involvement. Yet

I am sure that we cannot escape involvement. I am sure that we owe it to ourselves to see that our interests are represented in the democratic process. Moreover, we must ensure that those interests are represented in the most effective manner.

On this point I would like to make a few personal observations. What interests me in my own experiences is this curious paradox. Though we raise money, though we are active in party affairs, though we are at the head of campaign committees—businessmen have, I believe, but a small influence on political trends in America.

Indeed, businessmen don't like politics. We regard it as a necessary evil. We participate, but hardly with enthusiasm. And when we do, our objective is frequently not to develop

policies of our own, but to resist the policies proposed by others.

Visitors from other countries have noted that in America businessmen have unusual prestige. Their names are in the newspapers, on the hospital boards and on the symphony committees. They are generally the leaders of their communities. But what is true of local affairs is not true nationally. In the broader field of national life, businessmen are usually fighting a rear-guard action. In community drives we may be leaders, but in politics, where the conditions are set under which we do business, we are left far behind.

In the past 20 years, a big change has taken place in America. Businessmen used to limit their activities pretty much to business. Indeed, there was a time when in some corporations things might go badly with you if you got your name in the newspapers. Those days have gone. Business and the community now work in close partnership. Can we now be satisfied? Is this all we should expect? The answer undoubtedly is no. We can be on all kinds of boards and committees. We may be contributing generously to our favorite charities. We may still, however, be failing to play our proportionate part in the life of America.

Why is this so? Why are we followers rather than leaders in politics? In the first place, I suggest we are not equipped for a long term campaign.

We don't have any tactics, far less a strategy. It is not enough to take rifle shots at this or that union proposal, and certainly not enough to make speeches at Chambers of Commerce or Rotary Clubs.

We must have a point of view—a philosophy which will permit us, instead of resisting change, to play a creative role in controlling and directing it. For our business we make careful plans; we do the same for community projects. We have not as yet, however, got around to putting in order our political ideas.

Of course, in a sense we do have a policy. We believe in keeping government out of business. We believe in lower taxes. We want to eliminate waste from government. All this is good, but it is still negative. The thing we have got to decide is what we are for.

IT IS OFTEN said that science has remade the world. Certainly this is true, but most people will agree it has done so with the aid of business. In a real sense management has organized first the steam, then the electric, and now the electronic and atomic age. We have not, however, always been alert to the secondary effects of our work. We have not noticed the political changes we were thus bringing about. This changing face of America presents profound problems of government—in housing, highways, health, education, management-labor relations, in defense and foreign policy.

What are our answers to these problems? This is the raw material of politics. On these questions the political future turns. Surely businessmen or any other group have a claim to support of the public only as we are aware of and offer sound answers to them.

In this respect, politicians are much wiser than businessmen. They know that political power is a fact. They have their ears to the ground. They watch social and economic movements in our country. They see the changing weight of various interests, groups and sections. Knowing that these changes are bound to be reflected in the political process, they plan and act accordingly. Right now many politicians are spending a good deal of time figuring out the relevance of these changes to candidates and policies in this election year.

The curious thing is that in business we do somewhat the same thing. Our market research divisions analyze economic trends. They keep an eye on changing tastes and shifts in demand. Sales quotas, plans for new products, investment in plant and equipment, the direction of research—all are solidly based on knowledge of and adaptation to the market. It seems, however, we separate the two worlds. Too often we do not apply the tried and tested methods of sales management to the equally, indeed more important, area of political influence.

Politicians are in the business of harnessing opinion to their party. Their purpose is to gain power and keep it, but they know they can do this only by providing the right formula, including the right candidate, for the occasion. Their course of action is determined by the climate of the times. They do not go in for personal theories of economics or politics. They see that generally public opinion is neither radical left nor radical right, and that the fringes of opinion cannot form a stable basis for political power. Above all, they respect the people. Every political and economic institution must be justified before the bar of public opinion. This is not to say that public opinion is always right. Nor is it to say that the government of a country or the operation of a business must be carried on by a public opinion poll. Nevertheless, the broad principle is true—that leadership is legitimate only by the grace of popular consent.

There are those who say that businessmen should mind their own business. Sure, they say, we will give money, serve on committees, assist in community services—but they draw the line at politics. I would not be writing this if I did not think there were compelling arguments against that. And the most compelling is that politics is already in our business. In wage regulation, price laws, safety rules, anti-trust legislation, labor relations, workmen's

compensation, in control of stock issues, in all the conditions attached to defense contracts, and so on and so on. Those who insist on minding their own business will soon find they have very little to mind.

I am not suggesting that we all go into politics. But I do say this: The future of businessmen will depend not only on their organizing ability, but also on their contribution to political life. All of us cannot and should not pretend to a role for which we are not fitted. The important thing, however, is that as a group we provide our share of leaders—informed men able to contribute to the formation of policy, and persuasive men gifted with the ability to win the confidence of the public. We cannot, however, expect these men to appear through a trick of heredity. They rise by the encouragement and understanding of their business colleagues. This is an important condition, and I place great emphasis upon it.

Inevitably, as we participate more and more in political debate, we will be putting our necks out on controversial issues. Perhaps many of us will be in the position of saying things to which some of our colleagues, our stockholders, our customers, will take exception. In view of the risk of economic sanctions, we may prefer the safer course of silence. We may prefer that course, but can we take it? For every businessman has not only the right, he has the obligation to speak out. If business

is to be heard, it must speak. It will never do so if our own associates seek to silence us. Businessmen must be encouraged to be articulate. They deserve at least the tolerant support of their colleagues. On some issues we will agree—on some we will disagree. The important thing is that all sides be heard, and that an issue be thoroughly debated before it is determined—debated not only by Congressmen, by editors, by news and radio commentators, by labor leaders, but by individual businessmen all over the country.

THERE has been a lot of talk recently about a "new conservatism." Indeed, the word has come much into fashion. One of the new elements in American life is the recognized need for some benchmarks to guide us through the rush of events. The President has described himself as a dynamic conservative, accepting change as inevitable but guiding it by tested principles. How many of us, however, can give a name to *our* viewpoint, and if we can, what are our views in detail and will they stand the test of practical politics?

I am not suggesting that we all start writing political programs. The fact is that in part the job is being done. We need only to emphasize and encourage existing trends. The Chamber of Commerce of the United States, with both business and academic participation, has for a number of years been rethinking the

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problems of the nation. There are other groups too, doing similar work.

In areas such as the budget, taxation, trade policy, industrial relations, economic trends and many others, these organizations are making a valuable and positive contribution. I say "positive" contribution because today our task is, above all, constructive government. There are times when opposition is a necessary attitude. It cannot, however, become a way of life. In a corporation we have little time for the negative thinker. By the same token, a negative attitude will never win elections.

Let me make it clear that I am not arguing that businessmen should run the country. No group has the right to capture the government of the United States for its special interests. Long ago in the Federalist Papers, James Madison pointed to the dangers in a state of "faction," as he termed it. It was to control these dangers that he advocated the form of government under which we now live. He saw our system as one where a variety of parties and interests would be subordinated in the broad public interest. He foresaw a system where all would contribute but none would control.

But the question we must ask ourselves is whether the business point of view is adequately represented in the balance of public debate. It would be difficult to answer this question affirmatively. Despite the substantial economic and social contribution

business has made to American society, it is apparently still good politics to make it a whipping boy. And why? Why is the record of business so misrepresented? Not necessarily, as we might think, because of sinister un-American influences. We need not look behind dark corners to find a major cause. That cause may well be close at hand. It may well be you and I. The reason for our bad public relations may be our own neglect of them.

Congressmen have a finely developed sense of hearing. It is their job to keep their ears to the ground. But do they hear us, and when they do, does what we say make sense? Is what we propose politically practical? Is it realistic? Do we stubbornly defend the status quo? Does our thinking reflect the changing times? Certainly we must often resist a dangerous trend, but that resistance will win greater support if in other areas we have been the first to recognize a public need and have moved swiftly to meet it.

We have a magnificent story to tell, but let us be sure what that story is. We speak a lot about free enterprise, but do we know what it means? We are often articulate on labor problems. We make speeches about taxes and regularly launch broadsides at government. Too seldom, however, do we affirm positively what business is and what it is doing. Across the world there is a growing realization that a major in-

redient in the success of America is the science of management. By this I mean concepts not only of production and distribution but also of social living.

In Italy, in the United Kingdom, in India, and in Australia—to mention just a few countries—business schools or, as some call them, administrative staff colleges have been set up in recent years on American models. They are dedicated to teaching the ways and means of developing material and human resources to the fullest. These concepts of management are not only relevant to big business, they are also being applied throughout America in small shops and farms, in hospitals, in offices, and in government and professional offices—everywhere where men and women work together for a common objective. The world has rightly sensed that these techniques are universal and it sees in these new hope for material and spiritual growth.

To the principles of human co-operation, businessmen have thus made a unique contribution. And yet

we seldom speak of it. Instead we return to outworn phrases that at best ignore and at worst deny the important social public aspects of our business system. Industrial management, in fact, is not merely a technical skill. It is also an art of leadership. A business is an organization of human beings performing a common task—but so also is a church, a community, a state, and a nation.

The truths of human relations we are patiently discovering in business are no less true beyond our offices and plants. Businessmen then have no grounds for defeatism. The principles of political effectiveness are to be found within our own organizations, if only we will meditate on them and apply them. The question then is—will we be leaders or will we be led? Will we accept a secondary place in public life? Can we risk indifference to politics? These questions need no answers. We must and will do what is necessary and we must do it soon. This is the challenge for businessmen in an election year.

A Dutch woman, an expert knitter, always looked for unusual sweater patterns to try. One evening at dinner in a Chinese restaurant, she became intrigued with the Chinese characters on the menu. She took the menu home and set about her knitting. The result was a black sweater with white Chinese characters running from shoulder to waist. With her blond hair, she looked quite attractive in it and was delighted with the results.

Then one day she met a friend who read Chinese. He roared with laughter, then translated what she had so skillfully worked in wool: "This dish is cheap but most delicious."

Test Your Word Sense

Here's a good way to test your vocabulary. Pick the best definition or use of each word and then turn to page 33 for the answer.

- 1—An expert in ACOUSTICS has to know a lot about:

a—marine life	c—sound
b—water	d—whales
- 2—When matters are in a state of PENDENCY they are:

a—undetermined	c—critical
b—chaotic	d—confused
- 3—In art or architecture, a BAROQUE object is considered:

a—grotesque	c—streamlined
b—out-of-date	d—top heavy
- 4—Any object in the shape of an OCTAGON has:

a—seven sides	c—eight sides
b—six angles	d—ten angles
- 5—If EUPHONIC sounds come out of a radio they are:

a—loud	c—high-pitched
b—pleasant	d—bass
- 6—Words, phrases and figures of speech which are HACKNEYED are:

a—trite	c—crude
b—flowery	d—emphatic
- 7—If you ACTUATE a wheel, you get it started in:

a—reverse	c—motion
b—a line	d—high speed
- 8—People who ride horses recognize JODPHURS as:

a—reins	c—saddles
b—breeches	d—a gait
- 9—The tired soldiers reached BIVOUAC, an area where they:

a—ate	c—drilled
b—bought	d—camped
- 10—MALFEASANCE in the performance of any work or duty is:

a—superfluous	c—misconduct
b—above board	d—extra efforts
- 11—In Latin America, a HACIENDA is used by people to:

a—raise cattle	c—live in
b—rope cattle	d—cook in
- 12—The distinguishing thing about a CARICATURE is:

a—distortion	c—symbolic character
b—bold lines	d—background

The Town That Came Back

— For Management

by Dean Sims

Aspen, Colo.—In this picturesque village hidden away from the work-a-day world by a stoic ring of 14,000-foot mountains that are undisturbed by production schedules, strike threats or coronary thrombosis, a modern renaissance is taking place. It may be the welcome birth of a new American philosophy to replace a century-old one that is killing off our country's leaders in every field at an alarming rate.

A brand new institution, known as the Aspen Health Center, is teaching American leaders—industry, business, education, labor, religion—how to live and work more healthfully, happily and—incidentally—much more productively. The Center is a division of the Aspen Institute for Humanistic Studies, a non-profit corporation generously subscribed to by individuals, corporations and foundations.

Since before the Civil War, it has been increasingly apparent that many Americans carrying heavy responsibilities do not know how to enjoy themselves. This has been one of the consequences in building the most prosperous, most powerful nation the world has ever known. The men who hold the reins in every single American field of endeavor have been so busy trying to achieve still higher goals, or just to keep up the inherited pace, they have not learned how to take care of themselves physically, mentally or spiritually.

For many years, physicians—themselves victims of the disease—have scolded that Americans must learn to be relaxed and healthful in body, mind and spirit, or all the material progress will have been in vain. And that is exactly the thinking of Chicago's Walter P. Paepcke. Eleven

years ago he began a one-man crusade to make Aspen the center of a great American movement to preserve the health of the country's leaders.

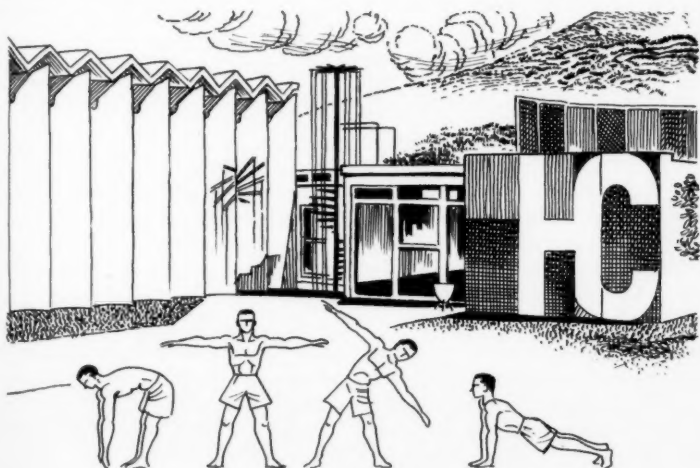
The 60-year-old Paepcke is board chairman of the Container Corporation of America. For years he has noted with dismay that industry was making tremendous investments in ambitious, healthy young men, only to have the most promising burn themselves out before the ordinary end of their periods of productivity.

The Aspen Health Center is the most recent of Paepcke's and the Institute's investments for assuring a strong America's future by helping our leaders preserve their health and also gain a new insight on their leadership responsibilities. Six years

ago, Paepcke fostered the first Summer-time seminar for executives.

To qualify for the minimum period of two weeks at the Health Center, the man—or woman—must submit a detailed physical examination report from his hometown physician. Before his \$300-per-week check is accepted, the Center's physician and director give the applicant another head-to-toe, front-to-back scrutiny. Alcoholics and neurotics are barred from the \$275,000 ultra-modernistic Center which is located at an idyllic junction of two tumbling, crystal-clear mountain streams. Also screened out are people with serious organic disorders, and the Center emphasizes that its objective is to prevent, not treat, illnesses due to stress.

Successful applicants (never more



than 25 men and 15 women enrolled at any one time) are provided luxurious quarters in Aspen Meadows apartments, a few hundred grassy feet from the Center. Participants are encouraged to bring their families with them; and there are conveniently located tennis courts, stables, trout fishing streams, ski slopes, mountain hiking trails, and an enclosable swimming pool.

The "how to live better" student's typical day begins with breakfast at 8 o'clock. From 8:45 until 9 he undresses and gets into his gym clothes. For 40 minutes, he gets some "active movement therapy" exercises in a barren gymnasium. These high-stepping, body-bending exercises the student can repeat when he gets back home, since he needs only a floor for equipment. From 9:40 until 10:30, he gets the works in a spotless hydrotherapy department, running the gamut from a dry-heat room (190 degrees, 15 per cent relative humidity) to a steam room (140 degrees, over 100 per cent relative humidity) to a 50-degree icy plunge into a pool. During the 90-minute "recovery" period, the student takes a nap, chats confidentially with the resident physician, or hears a lecture on the world's greatest books, philosophy or current events.

Depending on whether he has been put into A, B or C group—according to his age and physical-mental condition—the student spends his afternoons vigorously hiking up a moun-

tain, horseback riding, skiing, swimming—or hearing more lectures. If a student is, say 45 years old and suffering only from a small pouch of flab on his tummy, he is put into group A, which gets a real workout. If he is 60 and unsteady on his feet, he is put into group C and takes it comparatively easy.

Participants get special dietary attentions too. If a man needs more or less weight, or if he requires food supplements, he goes on a special diet in one of the Aspen Meadows' sparkling bright dining rooms. He may have two cocktails before dinner, if he wishes—and if he is not allergic to alcohol.

The Health Center co-ordinates its program with other activities of the Aspen Institute for Humanistic Studies, of which Paepcke is president—and Dr. Albert Schweitzer the head of the board of trustees. (Clarence B. Randall, former board chairman of Inland Steel Co., and Dan Thornton, former Colorado governor, also are trustees.) This makes available seminars, musical concerts and discussion groups—considered vital mental and spiritual supplements to physical rebuilding. One evening the student might hear John Burchard, Massachusetts Institute of Technology, dean of humanities and social studies, lecture on "The Idea of Architecture." The next, he would attend a Vronsky and Babin lecture-recital on "Three Ways of the Piano."

The chief medical adviser to the Center is Dr. Marvin A. Stevens, New York City orthopedic surgeon and former Yale football coach. A long list of internationally prominent medical specialists make up the medical advisory board, and all members have visited and will return periodically to the Center to counsel the staff.

Paepcke's dream of the Center could not take form until he found the director, and he let his associates know of the kind of a man he wanted to build the Center around. A friend of the Chicago industrialist was impressed with a young professor of physiotherapy lecturing at the University of Vienna, Austria, three years ago. He notified Paepcke, who wrote Professor Bruno Geba of his proposed Health Center. The letter found Geba at the University of Toronto, Canada, where he was newly and happily located, but one inspiring pep talk by Paepcke convinced him that his destiny was in Aspen. Now Geba, who at 30 resembles Victor Mature, and his beautiful blonde wife, Erna, direct the men's and women's activities, respectively, of the Center. Bruno supervised the building of the Center, utilizing his knowledge of Europe's many centuries-old spas and physiotherapy resorts.

No matter what a man's position of responsibility is in his job back home, he becomes at once an inti-

mate acquaintance of Bruno Geba and his staff of seven. They know more about the man's physical and mental status than the man himself does. To his fellow students, he is at first a red number on a grey warm-up suit, then a co-seeker of sound ways to better health, known chiefly by his first name.

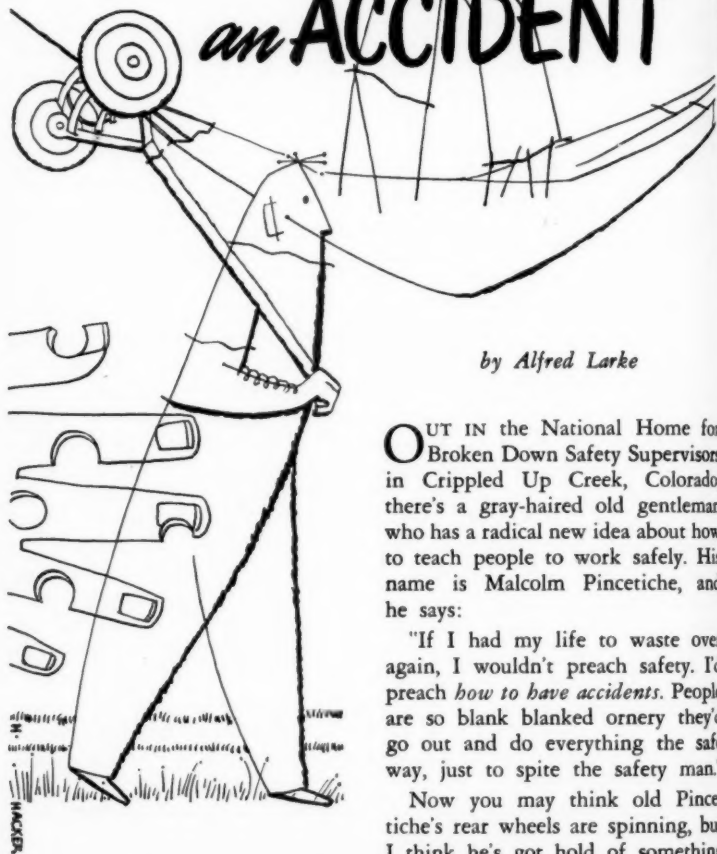
The Center opened without much festivity on September 9. During August, 20 letters of inquiry a day were being received at the Center from harassed people with heavy responsibilities all over the world. All who had heard of the Center felt it offered hope for a new era of leadership in which men and women could do more, live longer, better and happier in an even better world.

And in Aspen, the 1,000 citizens who remained in the once-booming silver mining town (12,000 people in 1893), saw another opportunity for civic security. For almost half a century, Aspen was known only to mining engineers as the place where the world's largest nugget of silver, weighing 2,060 pounds, was found during its brief era as the world's silver mining center.

Whatever the outcome, a Chicago industrialist named Paepcke has given more hope of a new and better day to more genuinely overworked Americans than even he could have thought possible when he first dreamed his dream here in 1945.

Married life is just one undarned thing after another.

How to Have an ACCIDENT



by Alfred Larke

OUT IN the National Home for Broken Down Safety Supervisors in Crippled Up Creek, Colorado, there's a gray-haired old gentleman who has a radical new idea about how to teach people to work safely. His name is Malcolm Pincetich, and he says:

"If I had my life to waste over again, I wouldn't preach safety. I'd preach *how to have accidents*. People are so blank blanked ornery they'd go out and do everything the safe way, just to spite the safety man."

Now you may think old Pincetich's rear wheels are spinning, but I think he's got hold of something—something big. All we have to do

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is show how easy it is to have accidents, and everybody will shun them. They'll want to do things the hard way, just because the foreman tells them the easy way.

It's like this fellow Hardway Jones, who used to live in my home town of Painted Petticoat, Pa. He'd always pick up his lawn mower, when he had finished mowing a strip one way, and carry it back on his shoulder to the other end of the lawn, to start mowing the next strip.

He got a slipped disc, a strained sacroiliac, two cases of blood-poisoning from blisters in one summer, and one big bunion on his left shoulder. But it gave him a lot of personal satisfaction to know that he was different from other people and didn't take any man's advice on how to go about his work.

Hardway Jones led an interesting life. He was the first man in history, for example, to kiss a girl while standing up in a hammock—tried it just because someone said it couldn't be done. If he only hadn't started fiddling around with mathematics, he'd probably still be with us. Hardway figured out a foolproof system for winning at Russian roulette, but forgot to use blanks while checking on his figures, and now he isn't here any more.

It isn't really necessary to go to all the trouble Hardway Jones did to see that you have an accident. In fact, it's quite easy. Chances are, if you just stood still in one spot for

the rest of your life, an accident would eventually come up to you and happen to you right there. Men with the most colorful accident records, however, don't consider it good sportsmanship to just assume the position and wait.

They figure it's a lot more sporting to reach out now and then and give Fate a good goose. This guarantees action. True, it doesn't tend to prolong your life, but it keeps things happening while you last.

Pride helps a lot, if you get a bang out of living the hazardous life. Take Wambly Murton, for example, a drill press operator at the Mid-Continent Whiffle and Hame Corp. Wambly's job is drilling the holes in horse collars through which the horse's perspiration is carried away so that it won't stain the felt padding on the inside of the collar. Wambly is an old-fashioned craftsman and figures he's just about the best man in the United States at his job. He may be right, too, because he's about the last one left.

Anyway, he's so proud of his ability that he thinks it's beneath his dignity to use the guards and safety devices that his supervisor tries to talk him into using. He's had so many holes drilled in his left hand that it scarcely casts a shadow, even at high noon on a bright summer's day. But Wambly pooh-poohs these holes. It's the 140 holes that *almost* got drilled in him—but didn't quite—that he boasts about. Like the fel-

low who ignores the minnows in his creel and talks about the big one that got away. Or the guy who tells how drunk he was when he drove home last night, yet he only hit two dogs and one small fence post.

THEN there is the remarkable case of Silas Buzzbottom, the tote man in a Dallas, Texas, foundry, who used to wear size 11 shoes but can now get into size 5's. This came about because Si always thought it was a reflection on his strength when the supervisor told him to wear safety shoes so he wouldn't smash a toe if he dropped a casting.

It still hurts Si's pride every time he drops a casting, but it doesn't hurt his toes any more, because he doesn't have any. But you can be sure that nobody ever calls Si a sissy. And that's what counts with a man like him.

There's another kind of pride that should, theoretically, help a man build up a frequency and severity record faster than anything else. That's the kind of pride that makes it impossible for him to turn down a dare.

"Dare you to drink a pint of iodine!" says A. And B says, "Whaddaya think I am, nuts?" But dare B to do almost anything else and he feels like a coward if he doesn't take up the dare.

The fact is, that most people who are born with this take-a-dare pride break their necks falling out of apple trees or disappear while swim-

ming in swift currents before they reach the age of 10. There is very little proof, therefore, of how they would work out in industry.

Not pride, but curiosity, is the major factor in overstuffed accident rates, however, according to Accidentals Anonymous. This organization of reformed risk-takers, who help each other hold out against the temptation to have just one more accident before they go home, asked its members what made them accident-prone.

"Curiosity," said 9 out of 10 AA's.

Curiosity gets people into a lot of kinds of trouble besides having accidents, according to several welfare agencies, but the AA's like to tell about one of their anonymous founders, who was precocious, and began reading signs by the time he was four years old.

Before he was five, he began going around touching his finger to wet paint, to see if it was really wet, the way the signs said. Pretty soon the habit had him in its grip, and when he was 10, his mother caught him trying to keep dry by running in between the rain drops in a storm. That tipped the mitt to her, so she wasn't surprised when at 12 (when most boys haven't tried their first corn-silk cigaret) she found him sticking his fingers into fan blades to see which were more flexible—the blades or the fingers.

Curiosity once led this young man to find out how long he could leave

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a can of soup over a gas flame before the can would explode. (Fifteen minutes to explode the can, three days to clean the soup off the walls and ceiling, four hours to re-glaze the windows, two days to re-paint the kitchen, in case you are curious, too.)

The AA members claim (and we must forgive them—remembering their background—if they brag a little) that the National Safety Council had to add seven new categories of accidents to its annual tabulations, the year after this man took his first job in a factory.

Be that as it may, the company quickly came to the conclusion that a chap with this much imagination

had executive talent, and it made him a supervisor, which at least got him away from close contact with the machinery.

He stayed overtime one night, however, and lost his right arm up to the elbow while conducting an experiment with a stamping press to find out if the hand is actually faster than the eye. The finding, needless to say, was negative.

He was retired the next day, several decades short of his 65th birthday, and shortly thereafter set about founding Accidentals Anonymous.

You, too, can be successful and retire early if you have the gumption to follow this man's example!

CONVENTION RESOLUTIONS . . .

AT THE ANNUAL BUSINESS MEETING, the club-delegates approved two resolutions proposed by NMA clubs. The first stipulated that all public addresses of NMA speakers making addresses on the threat of communism shall be filed with appropriate federal authorities. This resolution was introduced by the North American Aviation Management Club of Columbus, O., with the endorsement of 20 other NMA clubs.

The second resolution was presented by the Lockheed Management Club of Georgia. It called for the NMA board of directors to make a study of "the implications resulting from increased life expectancy on work and retirement plans of industry and business" in the U. S.

(For other convention news, see pages 34-35.)

Do You Know How To Disagree?

by Irv. Leiberman

FRED J. held down a fair position in New York City for five years. His friends knew him to be quite brilliant, and they often wondered why it was that, although his firm was growing rapidly and promotions were being made right and left, he was kept in the same position at the same pay.

"They don't appreciate brains around here," he complained. "They do the dumbest things. I disagree with the entire policy of this outfit but will they listen to me?"

One day Fred was given his notice. Unfortunately, he wasn't around to hear the vice-president say, "Yes, Fred was a fine fellow. It seemed

a shame to let him go, but there wasn't any other way. You see, he had a disturbing effect on everyone he met, because he was always disagreeing with everything and everybody.

"He disagreed with our selling methods, with our customers, with our advertising. In fact, he disagreed with everything.

"Of course, we're not in the market for yes-men—we welcome constructive criticism—but constant disagreement is something else again."

There are, alas, many human beings in the same category as Fred. Some are old, some are young, some are fairly successful; but more are unsuccessful, for the predilection to disagree has low business and social values. One thing, however, that these chronic disagreeers have in common is this: they are unhappy.

You see, you cannot live at cross purposes with a world and enjoy that world—you cannot live at loggerheads with others and their ideas and extract happiness from your human contacts. It can't be done.

Yet these chronic disagreeers make a profession of being at odds with their world. No wonder they have such long faces. No wonder their scowl lines are always so pronounced.

Here's another case history—this of a young man, a handsome young man with high intelligence and, at first glance, a goodly share of male charm. But if you were to work with him or know him socially for a while, you would ascertain his per-

sonality handicap—he also is a chronic critic.

With his good looks and gentlemanly manners, it has always been easy for him to win girl friends. They topple over the first time they see him, and it isn't long before they begin entertaining serious thoughts. But as he and his latest girl friend get to know each other better, the girl comes to realize what life with him would be. No matter what she says to him, the same thought comes out: "I disagree with you on that point."

And he does. He may be right or he may be wrong, but what difference does that make? No one likes to be constantly disagreed with—even by her boyfriend. Consequently this handsome male is always looking for another girlfriend—with whom to disagree.

Psychologists agree that the reason for this tendency to disagree is a *sense of inadequacy or inferiority*. In order to cover up their feelings of inadequacy, these chronic disagreeers, believing it is a sign of strength always to be on the other side, go "whole hog" and disagree with everything and everybody until it becomes a fixed habit.

Maybe you are not in danger of having the habit become fixed or chronic in your life, but, just to be on the safe side, why not study the following advice if it does bob up in your life? These suggestions take the form of five simple rules:

1. *Adopt Benjamin Franklin's bland philosophy in expressing your thoughts.*

That wise old codger, you know, after he ascertained how silly it is to be cocksure, always expressed himself and his ideas in the mildest phrases, to which no one could possibly take exception.

"This is the way it is," was never expressed by him in such strong terms. Instead he would put the matter in the form of a question. "Does it not seem to you that such and such is the case?" he would say.

As a result, Franklin found others willing to listen to him, because he seemed so understanding; found others willing to co-operate, because he always seemed to be on their side.

No one who is so confounded sure of his thoughts and opinions that he is always blurting out, "I don't agree with you at all—not at all," can possibly have the influence of a person who uses this "soft" method. Try it and watch your influence increase.

2. *If there is a point of disagreement, rather than disagree keep still.*

Often, when you find yourself in disagreement with someone, you will be tempted to put your differences into words. Don't. Unless principles which are vital to your life and thinking are involved, it is wiser, in such cases, to keep calm and silent. If you are asked your opinion, you can either refrain from giving it—if giving it will drag you into an argu-

ment, or you can state both sides of the case.

Far from casting you as a "weak sister," this habit of seeing both sides and taking neither will set you apart as a person with what is known as a "judicial temperament." In other words, a very wise person.

And if you just keep still when controversial matters are brought up, you will gain. It's those words we blurt out that get us into hot water.

3. *Look for points of agreement in everything.*

There's something about every idea, every institution, every human being with which you can agree—and if you form the habit of seeking those things, rather than those on which you disagree, it will do something amazing to your personality. It will give you that quality known as positiveness, which everyone admires, and remove the threat of negativity, which everyone detests. There really is more to admire than to censure in this world of ours—if you are smart enough to look for it. Why not try?

4. *Concede in little things.*

All life, as you have been told or have learned for yourself, is a series of compromises—no one ever had things all his own way.

Those who compromise in big matters of moral importance or fundamental rights are weak, but those who compromise in little matters, where compromise involves no major issues, are smart.

No one knew this better than Abraham Lincoln. You wouldn't accuse Lincoln of being weak, would you? Yet he was a man who was always ready to concede to the other side in small matters. As a result, he had tremendous influence and, although he lived in a maelstrom of bitterness, he reconciled opposing viewpoints with such skill as to accomplish great things.

It's a good rule for you to follow yourself—the rule of conceding in little things, rather than to precipitate disagreement.

5. *If you have to disagree, do it in the right way.*

There are times when we have to disagree, but if we do it in the right way, we can still keep a friendship, enhance our respect, and gain our points.

What is the right way to disagree?

One of the most skilled negotiators this writer has ever known, a man who spent a lifetime reconciling conflicting viewpoints and overcoming bitterness and prejudices, followed the same formula with every situation that arose.

His first step was to have the opponent state his case clearly. Then the negotiator would repeat what the opponent had said. He would comment favorably upon it, and commend the man or woman for ideas with which he himself was not in any agreement.

"I believe I see your point of view exactly," he would say. "And if I

were in your position I would feel the same as you do. You believe . . ." and then he would restate the belief he had just heard.

Do you see what this does? It makes the other person feel that here is a man who is sincerely trying to understand him—and who among us does not like that?

Next he would state his own case—and the opponent was always willing to listen to it, for hadn't the man listened to his side?

Then, ever so gently, ever so deftly, he would show that certain of his ideas were different from those of the other person. Was he disliked for thus stating a different opinion? On the contrary, he was liked all the more.

Anyone who will adopt and live by these five rules will have fewer disagreements in his life—and the fewer disagreements anyone has the more success and friendship he will win.

"I've been watching that mechanic for the last 15 minutes. There's a man who really knows his business. He didn't spill a drop of oil on the ground. He put down the hood gently, fastened it securely and left no fingerprints on it. He wiped his hands on clean tissue before opening the door, spread a clean cloth over the upholstery, meshed the gears noiselessly and then drove slowly and carefully out into the street."

"Yeah. That's his own car."

"Most important and most overlooked is the need for training executives in human leadership, which until recently has been almost entirely lacking in most educational training programs."—Ben Goldstein, administrative vice-president, Winkelman Brothers Apparel, Inc.

A lawyer dropped in at the corner butcher shop and got into quite a conversation. "What would you do, sir," asked the butcher, "if a dog kept coming in and stealing meat?"

"Why, I'd make the owner pay for it, of course," replied the lawyer.

"In that case you owe me \$15," the butcher said, elated, "because it's your dog."

The lawyer smiled. "Fair enough," he agreed. "Just deduct the \$15 from the \$25 you owe me for the advice."

Here are the answers to "Test Your Word Sense" on page 21.

1-c, 2-a, 3-a, 4-c, 5-b, 6-a, 7-c, 8-b, 9-d, 10-c, 11-c, 12-a.

NMA Convention At A Glance . . .

St. Louis, Mo.—The National Management Association's 33rd National Conference and Annual Meeting program, just concluded here at the Sheraton-Jefferson Hotel, has established our Association as the world's greatest management association—and not just the largest. Nearly 2,000 professional management people participated in this three-day meeting that brought the NMA the greatest professional recognition of any event in its history.

This meeting of our Association was the convention of a mature fraternity of professional management men.

NEW PRESIDENT NAMED

Our new national president is Theodore I. Renshaw of Lockheed Aircraft Corp., Marietta, Ga., who served as first vice-president in 1954-55. He is a great leader and his presidency will be supported by one of the finest companies in the country. Succeeding Gordon Parkinson of Trans World Airlines, Ted has a big job before him.

As 1956-57 first vice-president, the NMA will have Robert P. Walbridge of Lakeside Bridge and Steel Co., Milwaukee. Eldon Tufts, Sylvania Electric Products, Inc., Salem, Mass., is the new secretary-treasurer.

The zone vice-presidents are:

Robert W. Caldwell, Cannon Electric Co., Los Angeles; Herbert Heyde, Bendix Aviation Corp., Kansas City, Mo.; Leon Jenkins, Industrial Rayon Corp., Painesville, O.; Vincen McLaughlin, Heppenstall Co., Pittsburgh, Pa.; Thomas Hand, Corhart Refractories, Louisville, Ky.; J. Patrick O'Malley, Trans World Airlines, Inc., Jamaica, N. Y.; Harry R. Jarrett, Aluminum Company of America, East St. Louis, Ill., and Cleedas G. Bray, Inland Steel Co., East Chicago, Ind.

TOP CLUB AWARDS

Top NMA club awards went to the Kokomo, Ind., Foremen's Club, which won the No. 1 city club award for the sixth time, and Douglas El Segundo Management Club, which was honored as the top company club. These clubs were cited for their educational activities. In the city club group, the second and third places were won by the Lima, O., Management Club and the Foreman's Club of Dayton, respectively. For company clubs, Lockheed Management Club of California was second and Diamond Unity Club of Lancaster, O., third.

The Birmingham Supervisors Club won the award for the largest percentage of membership increase among city clubs. Douglas Long Beach Management Club took top honors for the company club with the largest

percentage of membership increase. Lockheed Management Club of California was honored as the club with the largest increase in membership.

The Alabama Council of NMA Clubs received the citation for being the best area council.

Norris Roy Crump, president of Canadian Pacific Railway Co., Montreal, Canada, was honored as the fifth winner of the Edward O. Seits Memorial Award for International Management. Gen. Joseph T. McNarney, USAF (Ret.), president of Convair division of General Dynamics Corp., San Diego, Calif., received the NMA Management Man of the Year award for 1956. John W. Colt, managing editor of THE KANSAS CITY STAR, received the NMA Free Enterprise Newswriter award for 1956.

John E. Martin, president of the Dana Corp., Toledo, O.; Dr. George D. Heaton, pastor, Myers Park Baptist Church, Charlotte, N. C.; William B. McMillan, president of the Hussmann Refrigerator Co., St. Louis, and George Hammond, president, Carl Byoir & Associates, Inc., New York City, gave major addresses. McMillan was the keynoter.

MANAGE TEAM OF THE YEAR

MANAGE Magazine's "Management Team of the Year" award went to the Great Lakes Steel Corp. Management Club of Detroit. The award went jointly to F. Waldo Parkinson, president of the club, and Paul Carnahan, president of Great Lakes Steel Corp.

Six NMA club newspaper editors received honors as the outstanding promoters of the NMA movement. They were, in order of placings: Gordon Gray, North American MANAGEMENT CLUB NEWS; G. V. Aseff, Sr., Lockheed Management Club of Georgia NEWS LETTER; John D. Hanasack, Great Lakes Steel Corp., MANAGEMENT CLUB BULLETIN; J. E. Blair, Lockheed Management Club of California MANAGEMENT CLUB NEWS. For fifth place, there was a tie between Vieune Rinker, Cannon Electric Management Association NEWS, and John C. McKee, Douglas Long Beach Management Club MEMOGRAM.

The constitutional amendment to increase NMA membership dues from \$4 to \$6 per year was approved by the club delegates by a vote of 847 to 546. The dues increase will become effective on the club's fiscal anniversary date after July 1, 1957. All members joining the NMA for the first time will pay a \$3 registration fee—but only once in a lifetime. Effective Oct. 1, 1956, the membership dues for all new clubs automatically became \$6 per member per year.

(For special convention resolutions, see page 29.)

THE other day a West Coast plant superintendent had to replace one of his assembly foremen. He followed a time-honored procedure: he picked a lead man who combined high seniority with excellent technical knowledge of the job.

"Many more promotions like that," says Dr. Glen Grimsley, "and the company could go out of business."

Picking foremen is part of Dr. Grimsley's job. He is personnel research director of Psychological Services, Inc., a Los Angeles firm which specializes in selecting, training, and evaluating personnel for private industry and the Armed Forces.

"This new assembly foreman didn't do too well," he goes on, "and the personnel people asked us to test him. We found he just didn't have what it takes to make a foreman. And we pointed out to them that he probably shouldn't have been made a lead man in the first place.

"The first step in picking the right foreman is picking lead men who have the abilities they'll need as foremen. By the same token, several of your foremen should be able to take over as general foreman."

Management's big problem in selecting supervisory workers lies in the fact that it can only evaluate candidates on the basis of how they are handling their present duties. This is not always an indication of how they'll do in a bigger job, calling for different abilities.

The answer, according to Dr. Grimsley and the growing army of

Failures and losses
help to convince
skeptics it's
smart to . . .

PRE-TEST Your Foremen

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industrial psychologists, is to find out in advance—by means of paper-and-pencil tests—whether candidates possess these different abilities.

Psychological testing actually dates back to World War I and the old "general intelligence" and I.Q. tests. These were later adopted by several industrial firms, but in the '30s they were replaced by the so-called "unique" tests, designed to measure specific aptitudes.

Dr. Floyd L. Ruch, president of Psychological Services and professor of psychology at University of Southern California, helped to refine some of these specialized tests for the Navy during World War II. But they were still cumbersome, often requiring 15 or 20 minutes to complete, and their widespread use was not practical.

Grimsley was one of the first post-war psychologists to work out short quizzes (never more than five minutes), which would be equally predictive of a candidate's abilities.

"It still isn't practical to test every person who applies for a job," he says, "nor even all the ones you put to work. But you should certainly screen all those who become candidates for lead man."

Some of these candidates are nominated by their foreman on the basis of their performance. The personnel department names others on the strength of their personal histories. Then all should be tested, preferably in a group, always on company time.

Procedure is to give them a set or "battery" of tests, each chosen to measure a particular ability needed in the higher job. Findings, confirmed by personal interview, are passed down the line to the supervisor who has a vacancy to fill. And while the supervisor retains the right to make his own promotions, he thinks twice before he disregards the test scores.

"Deny the foreman this kind of help," Dr. Grimsley says, "and he's apt to pick a lead man with good know-how but with none of the mental or temperamental requirements for leadership. Of course, if you find out in time you can usually prevent the man from going on up the ladder. But you've still got a problem.

"If you demote him, it's hard on his morale. Yet in his present job, he's filling a valuable training spot. And as you promote others around him, he's going to turn sour, anyway.

"But it will be a lot worse if you don't find out in time, because then he'll probably become a foreman. His technical ability will make him 'look good,' and you won't think of blaming him for the things that start going wrong in his department. Meanwhile, he'll be appointing poor lead men. Incompetence can be contagious, and it can kill a healthy plant."

Reaching into a desk drawer, Dr. Grimsley pulls out a handful of blank

questionnaires. There are about 35 of them, each designed to measure a different psychological trait, but only 10 or 15 are needed to measure abilities required by a particular job. Many were written by Ruch, Grimsley, and their associate, Dr. N. D. Warren, and all reflect the progress made in industrial psychology during the last 40 years.

Their purpose is not only to point up candidates who are ready for more responsibility, but also to find out where others are still weak. No worker is ever fired for making a poor showing, but some are given extra guidance.

Technical ability is not tested, since candidates for advancement are presumed to have mastered their job.

The tests fall into these six basic categories:

1. Intelligence
2. Mechanical aptitude
3. Occupational interests
4. Personality or temperament
5. Strength of motives
6. Human relations

There's one big difference, however, between these tests and the usual quiz: the "excellent" rating doesn't always go to the man with the highest score. In some cases, the psychologists are looking for the man who scores low; in others, they don't want a low score but they're afraid of a high one.

Final evaluation is based on a comparison of over-all ratings on these six categories, supplemented by

Top Psychologist's Methods

Dr. Floyd Ruch, who heads up Psychological Services, Inc., the Los Angeles organization whose methods are described in this article, is rated as one of the country's 10 top psychologists.

His textbook, "Psychology and Life" is required reading in more than half of the introductory psychology courses in United States colleges. During the Korean war, the Air Force named him a "unique contractor" in recognition of the fact that no other psychologist was qualified to bid against him on certain types of morale and fatigue research.

Dr. Grimsley, though younger, is also a top man. He worked after the war with Dr. Orlo Crissey at the General Motors Institute. Crissey was the big pioneer in the '30s and set up the G.M. testing program. Now, in the '50s, Grimsley has pioneered the "short form" tests which have made it practical for more companies to use this tool.

personal interviews. Here are the criteria used in picking the right man for the job:

1. What is the man's intelligence?

The psychologists have tests which break this big question down into several small ones: Can he think straight? Is he quick with numbers? Does he have a good vocabulary? Can he express himself well?

Dr. Grimsley once gave a low rating to a foreman regarded by his employers as one of their best men. The tests showed he lacked reasoning ability, although he had managed to hide this weakness behind his many years of service and routine knowledge of the job. Despite this warning, the company offered him a promotion. But the man knew his own limitations and turned the offer down.

2. Has he mechanical aptitude?

As a supervisor, he'll have to be able to think through mechanical situations and come up with practical solutions for everyday problems. Questions have to do with gear ratios, levers, center of gravity, and other basic mechanical principles.

For the man who knows these principles, the questions are easy. And the man who has the aptitude but not the knowledge will usually do well, too, because he can see the problems and reason out the answers.

Dr. Grimsley has known eighth-grade students to make top scores on these tests, not because of any train-

ing but through an almost intuitive understanding of mechanics. Yet he recently tested a graduate engineer who was powerless to put his training to work on simple problems.

3. What are his interests?

This is perhaps the most important question of the six, for it governs how much of himself the candidate will put into the job and how much he can get his subordinates to give of themselves.

First off, is the man interested in his work? Some men are not, even though they may have a lot of aptitude for it. Some men work solely for their paycheck. Their real interests are elsewhere and they "live away from the job."

Next, is he interested in people? This is important in a supervisor, but sometimes hard to find. Some kinds of training—such as engineering and accounting—produce men more interested in "things" or abstractions than in people.

In addition, the bright man (who is apt to be a candidate for promotion) may lack sociability. He can build and live in a world of his own, while less intelligent workers need the company of others. Yet you want a happy medium, for the man too dependent on other people is no better than the one who is too socially independent.

But if the man is interested in people, what kind of interest is it? Does he like them for what they are or does he like to manipulate them?

Here again you've got to avoid the extremes. The manipulator who carries this too far becomes a sort of cynical politician, while the man who can't manipulate people at all won't make a good supervisor either: he'll never be able to sell his ideas to his workers.

Liking people is more important than liking to manipulate them, but the supervisor who likes them too much becomes a "bleeding heart" and may side with his men against management.

Dr. Grimsley tells the classic story of the foreman who assigned a man to iron dents out of parts as they came off the assembly line. Dents were circled in chalk by an inspector. But for weeks the man wiped off the chalk mark whenever he didn't feel like ironing out the dent. The foreman knew of this, but because he was too soft-hearted to reprimand the man, he betrayed his company's trust.

4. *What's his personality like?*

A good foreman is a good leader. He is emotionally stable, self-disciplined but aggressive. He dominates people, but he does it nicely. He can take criticism without offense, but doesn't alter his policies unless the criticism has merit. And he brings to the job a driving energy.

Paper-and-pencil tests measure these traits with a high degree of accuracy. For example, from the scores on tests rating energy or stamina, Dr. Grimsley has sometimes urged

a worker to see his doctor. And in several of these cases, the physician has found a tubercular or heart condition.

But once again, both extremes can be dangerous. A man with too much energy and too domineering a manner can alienate the people under him. In picking a man to supervise women especially, Dr. Grimsley avoids excessive masculinity, as this will tend to make the supervisor crude and inconsiderate.

5. *How strong are his motives?*

This is the psychologist's way of asking, what makes him tick? Does he believe in God? Does he believe in democratic government? Does he believe in people?

Unfortunately, a lot of able men have acquired deep inner scars. They have been pushed around and have had to fight back. They have lost confidence in their fellow man and have come to look upon people as fools or cheats. Members of minority groups have sometimes gone on the defensive and have covered it by putting a chip on their shoulder.

Despite the ability which has helped such men to fight their way up through the ranks, they are not supervisory material. They don't have enough faith in society.

6. *Can he handle people?*

Human relations ability is made up partly of the attitude the man will have toward his subordinates (when and if he is made a supervisor) and partly of the knowledge he has

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picked up regarding company policy and procedure. Of the two, attitude is perhaps the more important, because "rules" can be learned, but attitude is something which foremen will bring into new situations which the rules don't cover.

Essentially, the foreman should be a nice guy. He should be fair, considerate and anxious to treat the other man the way he'd like to be treated himself. This is not all a matter of instinct. It helps to start out with a supply of good will, but there are techniques for handling complaints and similar problems that must be learned, either from observation or in a training course. Little things—like asking subordinates for suggestions before setting up a new policy—might not occur even to a well-intentioned supervisor if he did not have this special knowledge.

When this knowledge is lacking, "gripes" can get a foothold and can even build up into formal grievances. The complicated machinery for handling these situations can cost a company a lot of money. But human re-

lations is not a form of anti-unionism, Dr. Grimsley emphasizes. On the contrary, it is an insistence that labor's views and feelings be taken into consideration.

Foremen, general foremen, and shop superintendents don't always take to the idea of hiring "a bunch of professors" to tell them whom they should promote. A lot of salesmanship is needed to get a testing program started. On the other hand, once the system goes into effect, the results are usually so spectacular that it sells itself. If anything, management becomes too dependent on test findings.

Like other research techniques, testing is a tool designed to help a man do a job. It does not do the job for him. It may supplement his information but it can never take the place of his judgment. Nor is it infallible even in what it sets out to do. But when all this has been said, selection guided by the findings of psychological tests is still one of the best ways to pick the right foreman for a particular job.

The teacher wrote on the blackboard — "I didn't have no fun at the seaside," and asked a pupil, "How should I correct that?"

"Get a boy friend."

On the bayonet course a rookie was particularly clumsy. He charged the dummy, stumbled, missed the bayonet jab and flattened his nose against the sack.

"Nice work, soldier," said the sergeant. "If you can't stick him — bite him."

A Supervisor's Guide to Intelligent Labor Relations



by James M. Black

GUESS it was old King Belshazzar who got the first written warning that his way of doing things was going to pile him into a peck of trouble. Belshazzar had been walking around his kingdom of Babylon ten feet tall. And there were those who didn't like him even a little bit. Topping the list of his critics were the Medes and the Persians. But Belshazzar didn't care.

One night he threw a real party. About everybody who was anybody was there. The wine was good, and it was being dipped into. So was the food. Things were going along great guns when the king took a look sidewise at the wall. There was a message on it. For him. The message said Belshazzar had been weighed in the balance and found wanting; that his kingdom would soon be taken over by the Medes and Persians.

Well, you can just bet this broke up the evening and popped the perspiration out on Belshazzar's forehead. But it was too late. He had ignored a series of oral warnings from a prophet name of Daniel. Now he had it in writing. Belshazzar was punished, and it stuck.

Yes, indeed! There is plenty of precedent for the written warning. Many a company and many a supervisor has found that failure to give one has resulted in the reversal of management decision.

Take the case of a man we'll call Bill Jenkins. Bill was about 43 years old, a machinist for an oil company. He had started as a laborer for the firm back in 1951. He had been promoted steadily. From laborer he had gone to watchman, from watchman to storehouse helper. Then in 1953 he became a Machinist First Year under the company's Progressive Plan. A year later he was moved up to Machinist Second Year.

That's when it happened. Out of the blue his union got a letter saying

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that he had been demoted to the classification of laborer because of his lack of ability to acquire a satisfactory degree of skill as a machinist. Bill was burned. He fired off a grievance, and it sizzled all the way to arbitration.

"How come," he asked, "if I wasn't doing my job all right nobody ever told me? Why wasn't I given a warning?"

He had a point. Why wasn't he given a warning? Management claimed he had been. But to see the full picture shall we step back a few paces? That way the facts will be clearer.

The union made these points in its argument in Bill's behalf: (1) Bill Jenkins' demotion was the culmination of a series of acts of discrimination against him because he asserted his rights under the union contract. (2) Even if the claims of the company were true, they still did not constitute grounds for demotion, because the acts on which the company based its case had occurred prior to Jenkins' last promotion. (3) Jenkins had been given no warning that his work was not satisfactory. (4) The list of complaints against him had not been presented during the grievance procedure. (5) Jenkins' demotion was a violation of past practice, for no other employee in the Progressive Plan had ever been downgraded.

"We have the right to downgrade Jenkins," asserted the company. "He is not capable of doing the job."

It then presented the case as follows: (1) No written rules had been violated. (2) The arbitrator had no right to substitute his judgment for that of the company in determining employee ability. (3) Jenkins did not have the skill to perform machinist work satisfactorily. (4) Jenkins had been given ample time and sufficient opportunity to acquire the knowledge and skill necessary to perform his assigned work. (5) The company did not act contrary to any practice or policy established by its own actions or by acquiescing in a course of conduct carried on over a long period of time. (6) In demoting Jenkins, the company acted in good faith, not arbitrarily nor with ulterior purpose.

"Ability to do the job" is an essential requirement of every employee. No fair-minded person will argue against that. And who better than management is qualified to judge the capability of its people? Again the answer must be that if a company is not permitted to evaluate the skill of its workers and place them in jobs they are fitted to perform, the result would be disaster.

At the same time, management has a responsibility to an employee. If he is below standard, he should be told immediately and given every assistance in improving himself. If he still fails to measure up to his duties, then is the time to do something about it. A foreman who, for whatever reason, allows an inferior worker to continue at a job and, worse than that, even promotes him

to a higher one despite his inefficiency, has a hard time justifying an attempt to downgrade that employee for incompetence at a later date. A prominent industrial relations executive put it this way, "If I come into your office, throw my coat in the corner, put my feet on the desk, and go to sleep, you have the right to fire me. But if I do this every day for twenty years and you never say a word about it, then suddenly try to get rid of me for that offense, I have an argument."

Fundamentally this was Jenkins' position. Of course, he did not admit that he was incompetent. Quite the reverse. He considered he did his job well, and produced a number of witnesses to testify in his behalf. A machinist whom Jenkins had served as a helper said that he was always polite and courteous, and was just as good on the job as anyone else who had worked with him. A pumper stated that Jenkins had done well in maintaining the pumps, and was able to diagnose pump difficulties and solve them on his own initiative. Another veteran employee maintained that Jenkins' repairs of pumps were as good as any other machinist's.

Of course, the company had its witnesses too. An assistant superintendent remarked that Jenkins spent too much time visiting with other employees, and was frequently found sitting on window ledges rather than working. A superintendent had the same opinion. But under the arbitrator's questions they admitted their

opportunity to observe Jenkins' work firsthand had been limited, and that their criticism to a certain extent was based on the opinion of the employee's immediate foreman. Unhappily, too, from the company standpoint, they were uncertain in their testimony as to time and place of Jenkins' transgressions.

The company had charged that Jenkins had not been successful in maintaining tools and equipment while working in the tool room. But cross examination brought out this criticism pertained largely to a group of shovels with broken handles, and the company did not deny the union contention that it was not in Jenkins' job description to repair shovels. Besides, this claim was based on a shortcoming in Jenkins' work before he was promoted to machinist.

Management also stated that Jenkins required "an excessive amount of time to accomplish given jobs." But it acknowledged this comment was founded on casual observations, and to back its allegation could cite no incidents that had occurred since the aggrieved man had taken up his duties as a Machinist Second Year. In like manner, the company claims that Jenkins lacked initiative and frequently needed a helper were discounted. It appeared the foreman liked things done his way and had instructed employees not to make machine repairs according to their own diagnosis. To prove his initiative, Jenkins was even able to refer to an occasion when he had suggested

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that steel rings be replaced with hydraulic packing rings. This had been done with some saving to the company. So far as Jenkins' needing a helper was concerned, there was testimony that a machinist who worked a pump had a helper with him the majority of the time.

Other significant testimony came out especially damaging to the company case. For it concerned the relationship between Jenkins and his immediate foreman—evidently not a happy one. It seems that Jenkins had once asked his supervisor to allow him to discuss with higher management the reason why he had not been placed on the Progressive Plan. The foreman had agreed to allow Jenkins to do this, but apparently he did not like the employee going over his head.

Following the incident, Jenkins had been assigned to the somewhat disagreeable task of cleaning the machines in the machine shop with oil and sandpapering them down. Witnesses testified that this was unusual, and in the nature of retaliation or punishment. Indeed, on his own initiative the union steward had requested a hearing with the personnel supervisor to discuss the matter.

In the actual arbitration hearings, Jenkins' foreman did not appear. The arbitrator even remarked on his absence, saying, "The over-all picture of Jenkins' ability or lack of ability as gleaned from the hearing is that his work, while not outstanding, is reasonably satisfactory. If such is

not the case, testimony by Jenkins' foreman would have been very helpful. Judging from the hearsay evidence concerning the opinion of this foreman of Jenkins' ability, he was somewhat unfavorably impressed."

Here we come to the nub of the case. There is no person better qualified to evaluate the fitness of an employee than his immediate foreman. The line boss's relationship with his people is direct. He has the daily opportunity to observe their competence. If he thinks a man is not measuring up, he has the responsibility to do something about it. The record of his actions constitutes the company's case in any arbitration hearing.

An alert foreman knows that if an employee falls down on the job, that employee should be warned orally and advised how to improve himself. A record of this oral warning should be kept and higher management advised of the incident.

If the employee continues to do sub-standard work, he should be warned again. An accurate statement of the facts of the matter should be written down, including the date, the time, and the nature of the workers' failure in his job. Reference should be made to prior warnings, including the dates on which they were given. Finally, before a decisive action is taken involving such serious matters as downgrading, suspensions or discharge, the employee should receive a last and written warning. This should say specifically

where and how he has not met the standards of his job. It should allude to prior occasions when he has been given oral warnings about his shortcomings. That way management has a record of its acts. It has the facts to back its arguments, facts that are very hard to knock down. It does not rely on hearsay or vague generalities.

Only a foreman can supply facts of this kind. And the intelligent supervisor, who must conduct personnel affairs under the regulations of a union contract, must take into account the possibility that any decision he makes regarding an employee and the rights of that employee on the job may end up before an arbitrator. He doesn't rely on memory or on luck. He maintains a record of his personnel activities.

The arbitrator in the case of Bill Jenkins decided in favor of the employee. He said, "The demotion of Mr. Jenkins to laborer is not justified, and the error should be corrected by the placement of Jenkins again in

the Machinist Second Year classification with retroactive compensation at regular straight-time hourly rates for the period since his demotion to the time when he shall have been returned to Machinist Second Year classification, less, of course, earnings which he received at regular straight time rates in his employment with the company in the interim."

The result from the standpoint of the company was unfortunate. The foreman had an employee he did not want returned to his department. Management was reversed on an important decision. An employee was reinstated in a job which the company did not think he could handle. But from the facts as recounted in the report of the hearing, there were many weak spots in the company's case. These weaknesses can be summed up in six words—"Faulty records. Faulty supervisory personnel administration."

Don't let it happen to you. Get your facts on the record and act on them.

A psychiatrist advised his timid little patient to assert himself. "Don't let your wife bully you. Go home and show her who's boss."

The patient went home, slammed the door loudly and roughly seized his wife. "From now on," he snarled in his best Little Caesar manner, "you're taking orders from me, see? You're gonna make my supper this minute and when it's on the table you're goin' upstairs and lay out my clothes, see? Tonight I'm goin' out on the town—alone—and do you know who's goin' to dress me in my tuxedo and black tie?"

"You bet I do," was her answer. "The undertaker!"

Sign posted on a Scottish golf course: "Members will kindly refrain from picking up lost balls until they have stopped rolling."

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Get The Most Out Of Life

*"You never forget where
you buried the hatchet"*

—Abe Martin cartoon

By William Levy

IN PHYSICS there is an axiom that for every action of force there is an opposite and equal reaction. We are prone to forget this on occasions

when we start the day out wrong. A bad cup of coffee, plus frayed nerves from not enough sleep the night before leads to a violent argument with the wife. And then you have to go to work.

This much I guarantee you. If you feel miserable at the beginning of the day, you may get worse as time goes on but you won't get any better. I'm not talking about organic problems. I'm concerned with your mental attitude. The minute you step into the plant, people know that something is wrong.

You are proud so you try to cover by shouting a little more and throwing your weight around. And then your subordinates give you the treatment: Do only what you are told. Don't warn the old man. Let him stub his toe and then watch him squirm when the wheels call him on the carpet.

I never met a man in my life who didn't have troubles of his own. But what do you gain by steaming and trying to shift your feelings to others? Maybe you are unusual and can do a fair job when you are burned up—but I doubt it. The human organism, in the throes of an emotion, reacts without thinking. A strong emotion puts you in a mentally blank state and you don't think with your head. Instead you act with what is on your chest.

As NMA men of management, we are constantly striving for the goal that management must be a profession. A professional man must submit to self-discipline—a discipline

based on facts, order and guts—yes guts and common sense.

Self pity is a vicious and costly luxury. It's so easy to skim over lightly all the breaks we get, all that is being done by superiors and subordinates to make us look good, and to concentrate on all the imagined tough breaks we are getting. In most cases they turn out to be blessings in disguise since they goad us to greater effort. We envy those who ride in fine cars and seem to have special privileges, failing to recognize that maybe they would like to trade places with us and dispose of their ulcers and headaches.

A sense of humor is a tremendous asset and if you can cultivate the habit of smiling and enjoying the well-being that comes from a belly laugh, brother you've got it made.

Some time back, I received and filed one of those many items marked—author unknown. It appealed to me and I share it with you.

The Post Office at New Salem, Ill., was run on a very informal basis by Postmaster A. Lincoln. When Mr. Lincoln left his office he would very often put letters to be delivered in his hat. As he proceeded on his way he would meet a person to whom one of the letters was addressed, remove his hat and deliver the letter! Thus the local citizens started the legend that Abe Lincoln "cartied his office in his hat!"

Two men, after spending more than an hour in a bar, were going great guns trading funny stories, when a bulldog hopped up onto an empty bar stool. "Bartender," he shouted in perfect English (English bulldog, you know), "bring me a double Scotch on the rocks."

One of the men nudged the other. "Watch it," he mumbled behind his palm. "Go easy on the shaggy dog stories."

One night in ancient times, three horsemen were riding across a desert. As they crossed the dry bed of a river out of the darkness a voice called, "Halt!"

They obeyed. The voice then told them to dismount, pick up a handful of pebbles, put the pebbles in their pockets and remount.

The voice then said, "You have done as I commanded. Tomorrow at sun-up you will be both glad and sorry." Mystified, the horsemen rode on.

When the sun rose, they reached into their pockets and found that a miracle had happened. The pebbles had been transformed into diamonds, rubies and other precious stones. They remembered the warning. They were both glad and sorry . . . glad they had taken some, and sorry they had not taken more. . .

And this is the story of EDUCATION.

"Oh, I



"Oh, Dear! Did I put out the hearth fire under that 250 tons of molten metal?"

WASHINGTON REPORTS FOR SUPERVISORS



By Samuel Irish

POLITICAL PARTY PLATFORMS, 'tis said, are made to run on, not to stand on. That's a better wisecrack than a political truism, for a platform plank can often be a springboard for a bill in the Congress.

With both Democrats and Republicans committed to "providing for the general welfare," and with both parties for lower taxes and peace and prosperity, the labor planks in the party platforms are of special consequence to supervisors.

Supervisors are the members of management charged with directing the work of labor on the job. Inevitably, political action or even political promise that affects labor necessarily has more immediate impact on supervisors than any other branch of management.

TAFT-HARTLEY IN THE MIDDLE

The Taft-Hartley law, enacted by the first Republican Congress in power after passage of the Wagner Act, is the tackling dummy in the labor planks of both party platforms. The Democrats tear into it with such line smashing drives as: "vicious anti-union inadequate, unworkable and unfair interferes in an arbitrary manner with collective bargaining, causing imbalance in the relationship between management and labor."

Democratic touchdown play is:

"We unequivocally advocate repeal of the Taft-Hartley Act. The Act must be repealed because State "right to work" laws have their genesis in its discriminatory anti-labor provisions."

Democrats also demand:

"Upon return of our national government to the Democratic Party, a new legislative approach toward the entire labor-management problem will be adopted, based on past experience and the principles of the Wagner National Labor Relations Act and the Norris-LaGuardia Anti-Injunction Law."

The Republicans use more of an end run and forward pass strategy. Their platform points with pride to the increase in the Federal minimum wage to two million workers, the extension of Social Security, the increase in unemployment insurance, and other social advances of the last four years.

As to Taft-Hartley, the G.O.P. plank pledges the Eisenhower Administration to:

"Revise and improve the Taft-Hartley Act so as to protect more effectively the rights of labor unions, management, the individual worker, and the public. The protection of the right of workers to organize into unions is the firm and permanent policy of the Eisenhower Administration. . . . The Republican Party pledges itself to overhaul and improve the Taft-Hartley Act. . . ."

Thus, it looks as if whichever party wins the election there will be legislation presented to the 85th Congress for changing our basic labor-management relations act—such as killing it, or by "revising and improving it." You can argue that such planks are for the purpose of running on, not standing on, and that Taft-Hartley changes were promised in '52 by both parties, and nothing came of such promises. However, labor is better and more widely organized now than in 1952, as the Republicans point out, and with both parties unequivocally on the record pledged to change, there'll be a lot of push for it.

The Republican plank is silent on "right to work" laws which the Democrats bitterly blame on Taft-Hartley. Also the G.O.P. merely promises to "extend the protection of the Federal minimum wage laws to as many more workers as is possible and practicable." The Democrats on the other hand make an outright pitch for upping the present \$1.00 an hour minimum to \$1.25, and to extend it to "all workers engaged in, or affecting interstate commerce."

MORE MANAGEMENT FOR AUTOMATION

The British Trades Union Council, composed of unions totaling more than eight million members, must have been reading Dean Sims' editorial in the August issue. For the Council, which speaks for a far higher proportion of British labor than does our A.F.L.-C.I.O., has come up with the finding that the lack of skilled managerial manpower will slow the change-over to automation.

Sims quoted a basic steel foreman as observing he has more managerial problems with automation than when his men worked more with their hands, that "the science of automation has yet to come up with a machine to make supervisory decisions."

(Cont'd next page)

The British union's organization concurred and urged that the speed with which the change-over to automation takes place in Great Britain be deliberate. If automation comes too fast, it will wreck the present industrial relations machinery; if too slow it will jeopardize industry's competitive efficiency, and in that way cause unemployment.

Thus British labor also recognizes again that jobs depend upon productivity.

Further on the subject of automation itself, the Council pointed out that the whole country would gain if automation brought about a reduction in consumer prices.

AUTOMATION AND WORKERS' HEALTH

Another aspect of automation, that of the health, physical and mental, of the workers involved, is the subject of a private study released by the Department of Labor. The report points out that "a company's employees have always been its most valuable asset" and that under automation each employee will represent a much larger capital investment than previously.

For example, the capital investment per worker in the chemical industry, which is highly automated, was twice that of industry as a whole in 1954, or \$26,000. The present investment per employee in the electric power generation industry, which is almost completely automatized, is in excess of \$106,000.

"Thus, automated industry will have an even higher stake in maintaining the health of its workers. Illness not only disrupts production while workers are absent but results in a loss of efficiency during the periods when the worker is on the job but not feeling well."

The Report goes on to state that while automation will eliminate occupational hazards, non-occupational injuries and diseases account for 90 per cent of absenteeism.

"Even the most comprehensive medical program will be less costly than worker absenteeism, with resultant higher operating costs because of substitution of perhaps untrained personnel, spoiled products, higher disability compensation, increased group hospital and surgical insurance payments, and many intangible losses,"

the study concludes.

It also points out that errors in judgment by management personnel will be much more costly than such errors would be in non-automated operations.

THEY LACK GOOD SUPERVISORS

The CIA (Central Intelligence Agency) and the Department of Commerce are analyzing with keenest interest the Soviet Union's economic report for the first half of 1956. The report gives, for the first time in many years, the actual physical volume of production under Communism for 100 key items.

It also reveals that output of some important products—passenger cars, Diesel locomotives and cotton textiles—declined. In the past, Soviet statisticians have preferred not to say anything rather than concede production declines.

The 46,500 passenger cars said to have been produced during the first half of 1956 are less than the United States automobile industry's normal output for a single week.

Soviet steel production during the first six months of 1956 is reported to have been 24,000,000 metric tons, or little more than 40 per cent of United States output of about 56,000,000 metric tons (a metric ton is 1.1023 tons) during the same period.

For the full year 1956, however, Soviet steel output may be half or more of the full year's output in the United States because of last summer's national steel strike here. (They don't have strikes in Russia.)

About a year ago this column quoted the world-famous historian, Arthur Toynbee, who reported that the Communists were finding the shortage of supervisors and foremen a major stumbling block in their industrial program. They weren't giving supervisors rewards sufficiently greater than those paid the ordinary workers to make the posts of responsibility attractive. The official Soviet report seems to bear out the noted historian's findings.

WASHINGTON IRISH STEW

The Census Bureau finds that government—Federal, State, and local—cost us some \$664 apiece during the fiscal year 1955. National defense spending was \$246 for each of the more than 165 million Americans. This figure does not include veterans' benefits and pensions. Spending for all other governmental functions was \$418 a head.

Revenue collected at all levels of government during fiscal '55 amounted to \$107.6 million. Tax payments came to \$491 per capita.

Labor Department statisticians here are interested in the pension and welfare figures for Big League baseball players that go into effect next April.

One of the most interesting things about the new set-up is that the ball club will no longer be required to make any payments into the fund. All costs will be borne by the players and by their share of the radio and television receipts from the annual All-Star game.



By William M. Freeman

DRRAFT BEER is disappearing. Fewer and fewer corner taverns are carrying the golden suds that come out of a tap. Cans and bottles are replacing the barrel and the elaborate network of pipes that lie behind the spigot. Here's why:

Ever since World War II the price of a glass of beer has gone up and the size of the glass has gone down. Right now, with the latest increase at wholesale—\$1 more a half barrel—the glass has gone to 15 cents in the least pretentious establishment, at the same time its size has gone down to six ounces.

And, adding to the tavern-keeper's woes, sales have gone down because television is keeping the customers home.

Like beer on tap, the bottles and cans have some waste in foam and spillage, but the customer pays for the container regardless of whether some is spilled. With the tap, the waste belongs to the bartender, and the customer gets the glassful, regardless. Further, the owner's bookkeeping is a sight easier with individual containers. Instead of figuring out how many glasses a keg should give him (330 six-ounce glasses to the half-barrel is about right, if none is wasted), he merely has to keep a supply of bottles of various brands on ice, and make sure to reorder as necessary. There are headaches, fully as much, in—

WHISKY

—sold over the bar or in the package store. There are fads in drinking, and sad is the package store proprietor or bar owner who fails to keep up with the latest. He must stock practically everything, or lose a sale. For example, vodka is making steady gains, not only on the West Coast, where it started to make inroads in this country, and in the East, where it caught on quickly, but in the South and the Midwest.

It all began when one distiller started advertising that vodka "takes your breath away."

It is all very strange, since vodka, lacking taste, odor, character or anything but alcoholic strength, merely adds a pink elephant or two to whatever it accompanies. The other ingredient in the drink—orange or tomato juice, vermouth or whatever—supplies the taste and the flavor.

While beer is going up in price and the necessity for stocking many brands of spirits raises costs, forcing whisky prices up, too, the price of—

CIGARETTES

—seems to be coming down. Lorillard, with three new top executives at the helm, has just cut prices on its Kent, a filter-tip, although its Old Gold filter-tip sells competitively with regular types. Other makers in the hotly-contested field are reported to be stepping up promotion.

New cigarettes have been appearing on retail counters regularly, some with filters, some with menthol, some with both (presumably the filter keeps the menthol out) and some in boxes instead of packages, or in colorful new dress. The American Tobacco Co., which makes the filter-tip Herbert Tareyton, is about to market another filter smoke.

The industry is a good deal healthier than it was at the time of the cancer scare, but that isn't saying much. Last year the only types that showed gains over 1954 were those with filters, which indicated a switch from the regular types, long the leaders. The recent introduction of hard-board boxes made by American Machine and Foundry Co. produced sales, but it was the packaging rather than confidence in the cigarettes' content that brought in the customers.

Now Lorillard, with fresh and vigorous young executives working on the sales problem, is introducing a brand-new approach in a public relations coup, accompanied by heavy advertising. This is to sell the product itself on its merits. The rest of the industry, including the National Association of Tobacco Distributors, will be watching Lorillard for pointers. Lorillard, which began in 1760 and is the oldest of all the tobacco manufacturers in this country, is in many ways the freshest.

KEEPING RECORDS

Businessmen have to write down the names of people who buy their products so they can send out bills. They need to keep copies of the orders for raw materials, the sales letters, the answers to complaints and a thousand-and-two other things. It adds up to plenty of paper, lots of expensive file clerks, a good many high-priced filing cabinets, shortage of space and headaches in finding the right piece of paper when it is wanted.

This is a situation made to order for the relatively new science of micro-

film recording. The beauty of this is that a tiny container will do the work of many filing cabinets and will make its contents much more readily available. Banks use it to photograph cancelled checks, department stores to record the customers' sales slips and industrial plants to keep track of incoming orders and outgoing shipments.

A carefully-detailed manual on the subject, well worth studying by supervisors plagued by rising mountains of paperwork, has just been published. In "Microrecording" (Interscience Publishers, Inc., New York, \$8) Chester M. Lewis, chief librarian of The New York Times, and William H. Offenhauser Jr., specialist in film techniques, discuss the various methods of using the technique, the types of equipment, how film records are classified and indexed for quick reference and how the films may be stored. The authors go beyond description to supply interpretations and make recommendations. The volume should be of considerable help to business and industry.

TREES

This is a warming little anecdote of a hard-hearted business concern that went soft and found it profitable to do so.

Chutick & Sudakoff, real-estate concern noted for several major luxury apartment developments in the New York area, has begun erecting a group of structures in Greenwich, Conn. There are five four-story buildings, each containing 40 apartments, 200 apartments in all. There are also almost 200 trees, most of them 70 to 100 years old.

Most apartment house builders clear their sites of everything so that heavy construction machinery and expensive labor to operate that machinery can be used with maximum efficiency and minimum expense. Rarely are any trees left on an apartment site. Sometimes, after the buildings are finished, a few small saplings are planted, but generally apartment dwellers must do without big shade trees.

Chutick & Sudakoff decided to save all the trees to make the development look better, to make the area more competitive in renting and because they just liked trees and didn't want to cut them down. They engaged a forestry expert to assist in laying out the over-all design, the driveways and the parking areas. This involved more than a few changes from the original plan, extra blasting of rock and considerable filling-in. The total additional cost came to about \$100,000.

The sequel: The builders have been commended for their effort in preserving the old trees and they have found that the structures are attracting much more interest than had been expected, even though the buildings are not yet completed.

THE DISCOUNT HOUSES

The conventional merchandisers have been attacking the discount houses bitterly.

"They wait for us to buy expensive advertising and name a price for a well-known item," the complaints run, "and then they offer the same thing for less money. They don't advertise, they don't do any selling, they merely take orders for the things we sell for them. Of course they can beat our prices, but the only way they can do it is for us to carry part of their load."

To this, the discount houses retort that the customer is entitled to the lowest price possible and that their economies in selling—little advertising, minimum selling space, no delivery, cash only—help the consumer and, in turn, help the manufacturer by moving more goods.

Now the discount houses are moving more and more to the regular way of selling. Masters, Inc., a big discount chain that has just opened two more units in the New York metropolitan area, has engaged Leon Mesnik, formerly advertising director of the Vim Stores, as its merchandising manager. Mr. Mesnik's chief task will be to direct all merchandising in addition to supervising sales promotion and advertising. A big advertising program is in the works.

Here's what it means: The discount houses are growing up, and cutting loose from the unwilling help of the conventional stores. In this second stage there will still be little selling and few services such as delivery included. The big difference is the addition of advertising. With this the discount operators will be able to answer their detractors. They will no longer be riding on anyone's coattails.

Salesman: "This model has a top speed of 130 miles per hour, and she'll stop on a dime."

Prospect: "What happens after that?"

Salesman: "A little putty knife comes out and scrapes you off the windshield."

Head cook: "Didn't I tell you to notice when the soup boiled over?"

Assistant: "I did. It was exactly half past ten."

"Yes," said the conceited young bachelor, "I have the greatest admiration for women. But I won't marry one of them—not me!"

"I see," said the sweet young thing, "you not only admire women, but you have a sincere regard for their welfare."



"If you think my hair is dangerous, step over here and take a whiff of my perfume."



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Alexandria Foremen's Club

Management Team of the Month

OUR Alexandria Foremen's Club is only a year old and we have received considerable assistance from our sponsoring club, the Kokomo Foremen's Club, but I believe we have already proved ourselves.

We have completed a project of value to our city and all its citizens.

Shortly before our club charter night, the City of Alexandria appointed a City Plan Commission. The commission was handicapped by an inadequate zoning ordinance which had been adopted several years ago. Our club realized that if the City Plan Commission was going to succeed, it had to have some community help.

Our club contacted the commission and asked to help. We were told that a "Land Use Survey," properly prepared, would be of great help to the commission and the city.

The club accepted the challenge and immediately set up a plan of action. The club was divided into 10 teams. Each team was equipped with work sheets and a color guide coded to indicate the various classi-

fications of land use. Club members borrowed their children's crayons and went to work. When their work sheets were completed, they were returned to a central committee. The committee then transferred the information to a master map. The club members spent about 100 man-hours collecting and tabulating the information.

Here is what J. J. Dewberry, president of the Alexandria Plan Commission, said about the club's work:

"... The price of a zoning ordinance for Alexandria will be reduced from \$2,500 to \$2,000, if we accept this survey as being accurate. From first hand knowledge of our city, it is our considered opinion that this survey is more accurate than one obtained from an outside group. The local members of the club are obviously more aware of local conditions than any outside experts.

"It is also our opinion that the Land Use Survey made by the club might save more than \$500 because it may enable us to do more work ourselves."

(Cont'd on next page)

In the past there have been some hard feeling among citizens about the zoning provisions. Mr. Dewberry comments: "A little over a year ago, the Alexandria Plan Commission was appointed by the City Council and it attempted to proceed slowly in order to regain the confidence of the citizenry. We believe you can now see why this combined effort by the Alexandria Foremen's Club was so

vital and so very much appreciated by our group."

It was worthwhile, both to the city and the club, to complete this project successfully. It helped our club to knit its bones in the early stages when a demonstration of co-operation was needed most.

W. R. Kidder, Past President
Alexandria Foremen's Club
Alexandria, Ind.

"Tell me," the prospective tenant asked the pretty servant girl, "are you part of the apartments?"

"No, sir," she replied. "The apartments are to be let and I'm to be let alone."

At Minneapolis-Honeywell Regulator Company's plant, there are three instances where an employee's name fits his job.

Bob Waters of the aero test department is in charge of all rain chambers.

Jim Bang is an assistant foreman in the punch press department.

And Gordy Schilling is a cash pick-up man for the purchasing department.

The small boy on the phone asked information for the number of the movie house.

"You'll find that in the directory," she said.

"I know," he answered, "but I'm standing on it."

One little boy to another: "I'm so tough I wear out a pair of shoes in a week."

A second boy: "I wear out a pair of jeans in a day."

A third: "I wear out my grandparents in an hour."—Art Carruth in the Topeka State Journal.

Doctor: "Madam, your husband must have absolute rest."

Wife: "But, Doctor, he won't listen to me."

Doctor: "A very good beginning, madam; a very good beginning."

SPEECH FORMULAS

Unpleasant Situations

(Twelfth of a series of articles)



by **LESTER L. McCRERY, Ph.D.**



THERE are certain speech communication situations which are not particularly pleasant but which nevertheless must be met. These include the grievance or complaint, the reprimand, and the termination interview.

While such situations are customarily regarded as applying exclusively to foremen, supervisors, or other persons in authority, they will also be found useful in everyday human relations.

Since the ounce of prevention is preferable to the pound of cure, let us preface discussion of these unpleasant situations with brief consideration of the induction talk. This talk, if properly handled, whether presented to a prospective marriage partner or to a new employee, will do a great deal to forestall future unpleasant communication situations.

In the induction talk, whether given to an individual or to a number of persons, the purpose is to make certain the newcomer realizes fully the nature of his job and what is expected of him. Such talks are to be given in a friendly, considerate manner with every effort to make the inductee feel at ease and encouraged to ask questions. The following steps are usually recommended:

1. Explain the work to be done. Make certain he knows what is expected of him.
2. Explain how his work fits into the entire production program.
3. Make certain he understands procedures of the organization, how to secure needed materials, tools, service, etc.
4. Make clear the safety precautions he will be expected to observe.

5. Encourage him to make inquiries about matters of which he is uncertain.

6. Show a personal interest in him by inquiring about his hobbies, special interests, etc. Introduce him to others in the organization.

After the individual has been "on the job" for some time, a situation may arise where he has a complaint or grievance to make. If this happens to be a complaint that must be handled through labor union or other organized group channels, special procedures, not to be discussed here, are required. However, often the grievance or complaint is of a highly personal nature and properly should be handled by a supervisor or some other responsible person. The following suggestions are made:

1. Allow the individual to present his story without interruption. If necessary, let him blow off steam. Although he may be angry and emotional, your responsibility requires that you do not lose your temper. As chairman, supervisor or consultant, you must forego this luxury.

2. Listen intently until the individual has finished. Ask a few questions on points that are not clear in your own mind with regard to what the individual wanted to say.

3. Repeat the complaint, word for word as nearly as possible, immediately after the speaker has finished. You may begin by saying, "Now, let me make sure I understand the situation. You say . . . etc." Then,

when you have concluded, say, "Is this the situation? Have I left anything out?"

4. After the nature of the complaint has been fully aired, talk over several possible solutions. Unless the solution is very simple and obvious, ask the person to give you a little time to think over a solution, promising to deal with the problem in a definite, specified time.

5. Get all the additional facts possible. Investigate the situation, get the opinions of others, and then take action promptly as agreed. When action is taken, explain reasons for the action and make sure the individuals realize the action is right.

Sometimes it is necessary to give a reprimand to an individual or group. The supervisor or person in authority who fails to give a reprimand when it is indicated fails in his duty. Promptness in dealing with such situations is imperative. Failure to do so is interpreted as weakness and undermines organization morale. The following procedure is recommended:

1. First, get all the facts, and make certain they are accurate.

2. Next, make certain that the facts bear directly on the policies or rules which have been violated.

3. Call in the individual or group responsible for the violation and outline first the policies or rules, then point out the actions which have violated these. Again, keep calm. Scolding, shouting threats of punishment,

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or other symptoms of loss of control create resentments rather than an interest in correcting the violation.

4. Next, give the person being reprimanded an opportunity to tell his story. Ask him questions so that he will be encouraged to speak freely. When he has finished, repeat his story, checking with him on the accuracy of your version of it.

5. Inquire if he fully understands company policy. Then ask him what he feels should be done.

6. State what you propose to do, showing that it is in line with the established practices and procedures of the organization. Care should be taken not to make the disciplinary action too harsh or unreasonable.

In some cases it is necessary to terminate an association. Whether the individual takes the action voluntarily, or whether you take the initiative for releasing him, a termination interview is recommended. An appointment for such an interview should be scheduled before the final salary check or other compensation is issued. The following points should be considered:

1. Where the individual is being discharged for disciplinary reasons,

the interviewer should begin with a brief but clear statement of policy.

2. Next, the individual should be presented with a full and complete account of the established facts which make the action necessary.

3. Finally, regret over the discharge should be expressed and the hope extended that a more pleasant future will be encountered.

4. Where the individual is being released because of lack of work, the situation should be explained fully to him, giving him compliments for satisfactory work and giving assurances of future consideration, should demand increase. Also, in such situations it is customary to give letters of reference.

5. When an individual terminates voluntarily, he should be encouraged to give a full and frank explanation of his reasons.

6. When this has been done, the interviewer may restate the explanation to make certain he understands. Then usually, the interviewer expresses a few words of farewell. Even though the termination may cause inconvenience, the terminal interviewer should wish success to the person who is leaving.

This article originally appeared in *Industrial Supervisor*, a publication of the National Safety Council. The entire series of 16 articles entitled "Pocket Book of Speech Formulas" can be secured singly or in quantities from the National Safety Council, Publications Division, 425 North Michigan Avenue, Chicago 11, Ill.

Two men following a woman driver. "She's got her hand out the window," remarked one of the men. "What does that mean?"

"Only one thing for sure," replied the other. "The window is open."

How **WOULD YOU** **HAVE SOLVED THIS?**



by Lloyd P. Brenberger

NOTE: To be considered for \$10 cash awards and certificates of special citation, all solutions to the problem must be postmarked no later than **DECEMBER 10, 1956**. Address your solutions of no more than 500 words to Editor, **MANAGE**, 321 West First Street, Dayton 2, Ohio.

PROBLEM No. 9

TOO MUCH TEAMWORK

Sam and Joe had worked as a team for more than two years. They were a good team. They worked well together. In fact, Paul, their foreman, was quite proud of his choice in matching them on their job.

Then came trouble. Paul noticed they were developing some bad work habits. If Sam had to leave the job for a minute or two, Joe would stop working and wait for Sam to come back. And if Joe left, then Sam waited. Yet the job didn't require both men being present 100 per cent of the time.

Paul reviewed their assignments with them, emphasizing that it was not necessary for them to work together. This seemed to help, but before long they went back to their old habits. Paul followed up with an oral warning, finally a written warning. But it didn't stop. He tried to transfer Joe, but a shortage of personnel blocked it. What would you do if you were Paul?

(Remember the deadline Dec. 10, 1956)

THIS WAS SUPERVISORY PROBLEM No. 6

Theft of tools and equipment at EEE Energizer Co., had been increasing. This point was driven home by the plant superintendent at a recent management meeting. The foremen were instructed to take steps to cut losses.

Tom knew tools were disappearing from his department, but he had no idea who was taking them.

It was Saturday afternoon when he dropped by George's home. George, one of the oldest and best employees in Tom's department, was down in the basement building a cabinet. Tom noticed five tools, all clearly marked with company paint, lying on the bench.

What would you do if you were Tom?

THE WINNERS

The following are the best solutions to the supervisory problem No. 6. The winners have received checks for \$10 each and a handsome two-color Merit Award certificate suitable for framing.

WITHOUT REPRIMAND

By *Erv Chandler,*
American Airlines, Dallas, Tex.

On Monday, Tom could write a letter to all his employees something like this:

"Dear

At the last foremen's meeting the Super was steamed up over equipment replacement costs in the plant. After I got home, I did some serious thinking, and after digging through the garage I found three company wrenches, a chuck wrench and a feeler gauge. In the rear of my car I found seven other shop tools. I know how they got there. I forgot to leave them in the shop and carried them home. The trouble is I couldn't remember to bring them back. I'm sure all of us have done the same thing.

I'm sending this letter to all my people at their homes. So do me a personal favor. Right now, before it slips your mind again, check on any small tools you may have "accumulated" over the years and put them on the front seat of your car. Tomorrow you can turn them in at the tool crib.

These two and three dollar items, multiplied by the work force of the plant constitute quite a chunk of dough. I appreciate your co-operation.

Sincerely, TOM

P. S. Let me remind you to take advantage of our tool check-out plan if you need some specific tool for your days-off projects at home. Just see me."

This leaves the way open for the return of small tools without reprimand or loss of prestige.

Professor Brenberger, who writes the problem for "How Would You Have Solved This?" and judges the entries of contestants, is head of the Department of Industrial Engineering of the University of Dayton. He is a graduate of the General Motors Institute and has had wide experience in industrial relations and engineering. In recent years he served as a project supervisor for a secret Air Force and Navy research program. He spends part of his free time conducting a specialized management development training course, which he organized for Air Force reserve officers.

A TOOL CHECK-OUT SYSTEM

By Lewis Troiano,
Clark Grave Vault Co., 375 East Fifth
Street,
Columbus 1, Ohio

George, without doubt, is a type of person who enjoys working with his hands, creating something useful. This quality in George readily explains why he is the oldest and best employee in Tom's department.

He developed a hobby of building cabinets which require various kinds of tools. In his enthusiastic manner, he acquired these tools by simply taking them from the company. In doing so, he failed to realize that his actions could jeopardize his status with his employer.

When Tom dropped by George's home and noticed the tools, he had two alternatives. He could have made a direct accusation which might have resulted in George's discharge. In taking this action, however, Tom would have recovered only five of the tools missing from his department.

I believe Tom could obtain better results by informing George that he is aware these are company tools.

Then if I were Tom, I would put out a bulletin on Monday morning, asking all employees who had borrowed company tools to please return them. I would also point out that the tools can be borrowed for personal work.

I think that by handling the problem in this manner, George's influence among other workers would result in a higher

percentage of tools being returned to Tom's department.

After being convinced that the possibility of tool recovery was exhausted, Tom should work out a program whereby all tools would be issued on a check-out basis.

TAKE IT EASY

By Willard T. Jecks,
Eagle Signal Corp., Moline, Ill.

The cue here is to take it easy. It would be simple to confiscate the tools and fire George. But many more than five tools are missing and George is one of Tom's best men. Something must be wrong with the way tools are being handled.

Tom should walk over and pick up one of the tools and say: "I see you borrowed some tools to work on your cabinet over the weekend, George. I know you'll remember to return them Monday, but a lot of the fellows have been taking tools and equipment home and forgetting to bring them back. What do you think we can do about it?"

With George's help, Tom can work out a check-out system. Even hiring another man to run a tool crib, and keeping check-out records, would be cheaper than replacing tools continually.

George has two choices when Tom asks for his suggestions. He can join in helping Tom, (maybe he did just borrow the tools for the week-end); or he can embarrassingly refuse. In either case, he will have to return the tools on Monday because Tom knows he has them. And he won't dare take any others.

"For a modern house," commented the prospective buyer, "these walls don't seem very sturdy."

"Well, maybe," the seller agreed grudgingly, "but they're not painted yet."

The first lesson of self-defense is to keep your glasses on.

Reputation

When a man has once forfeited the reputation of his integrity, he is set fast; and nothing will then serve his turn, neither truth nor falsehood.

—Tillotson

The reputation of a man is like his shadow—gigantic when it precedes him, and pygmy in its proportions when it follows.—Talleyrand

An honest reputation is within the reach of all men; they obtain it by social virtues, and by doing their duty. This kind of reputation, it is true, is neither brilliant nor startling, but it is often the most useful for happiness.—Duclos

The two most precious things on this side of the grave are our reputation and our life. But it is to be lamented that the most contemptible whisper may deprive us of the one, and the weakest weapon of the other.—Colton

Work

Unless we put heart and soul into our labor we brutify our actions.—H. W. Shaw

Work, according to my feeling, is as much of a necessity to man as eating and drinking.—Wilhelm von Humboldt

Man's record upon this wild world is the record of work, and of work alone.—J. G. Holland

It is far better to give work which is above the men than to educate the men to be above their work.—Ruskin

It is not work that kills men; it is worry. Work is healthy; you could hardly put more upon a man than he can bear. Worry is rust upon the blade. It is not the revolution that destroys the machinery, but friction.—Beecher

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